CENTRAL STATISTICAL OFFICE

CSO Economic Trends

ARTICLES

United Kingdom balance of payments in the fourth quarter and year 1983

Employment in the public and private sectors 1977 to 1983

The Budget: 13 March 1984

The economy: recent developments and prospects to mid-1985

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Release dates of economic statistics to be published in April 1984

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Publication date	Series	Method of release	Source
April			
Mon 2	CBI Monthly Trends Inquiry (March)	PN	CBI
	Credit business (February)	PN	DTI
	Retail sales (February – final)		
Tues 3	Capital issues and redemptions (during the month of March)	PN	Bank of England
	Housing starts and completions (February)	PN	Dept. of the Environment
	UK official reserves (March)	PN	HM Treasury
Wed 4	Advance energy statistics (February)	PN	Dept. of Energy
Fri 6	Finished steel consumption and stock changes (4th quarter – final)	*British business*	DTI
Mon 9	Producer price index numbers (March – provisional)	PN	DTI
Tues 10	Provisional estimates of monetary aggregates (mid-March)	PN	Bank of England
	Provisional figures of vehicle production (March)	PN	DTI
	London clearing banks' monthly statement (mid-March)	PN	CLCB
Wed 11	Index of production and construction for Wales (4th quarter)	PN	Welsh Office
Thur 12	Index of output of the production industries (February)	PN	CSO
Fri 13	Tax and price index (March)	PN	CSO
	Retail prices index (March)	PN	Dept. of Employment
	Finished steel consumption and stock changes (4th quarter – final)	*British business*	DTI
	Building Societies' monthly figures (March)	PN	BSA
	Usable steel production (March)	PN	BSC/BISPA
Mon 16	Retail sales (March – provisional)	PN	DTI
Tues 17	Public sector borrowing requirement (March)	PN	CSO/HM Treasury
Wed 18	Industrial and commercial companies capital account and net borrowing requirement (4th quarter)	PN	CSO
	Cyclical indicators for the UK economy (March)		
	Average earnings indices; employment, hours and unit wage costs (February – provisional)	PN	Dept. of Employment
	Construction – new orders (February)	PN	Dept. of the Environment
Thur 19	Institutional investment (4th quarter)	PN	CSO
	UK banks assets and liabilities and the money stock (mid-March)	PN	Bank of England
	London sterling certificates of deposit (March)		
	Preliminary estimate of consumers' expenditure (1st quarter)	PN	CSO
Sun 22	Department for National Savings monthly progress report (March)	PN	D. for National Savings
Tues 24	The CBI/FT survey of distributive trades (end-March)	PN	CBI
Thur 26	Bricks and cement production (1st quarter)	PN	Dept. of the Environment
	Energy Trends (February)	PN	Dept. of Energy
	Overseas travel and tourism (Jan/Feb)	PN	DTI
	Unemployment and unfilled vacancies (March – final)	*Gazette*	Dept. of Employment
	Stoppages of work due to industrial disputes (March – provisional)		
	Employment and earnings by industry (February – provisional)		
Fri 27	Unemployment and unfilled vacancies (April – provisional)	PN	Dept. of Employment
	Sales and orders in the engineering industries (January)	*British business*	DTI
Mon 30	Balance of payments current account and overseas trade figures (March)	PN	DTI/CSO

PN—Press Notice

CENTRAL STATISTICAL OFFICE

Economic Trends

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Introduction

Economic Trends brings together all the main economic indicators.

It contains three regular sections of tables and charts illustrating trends in the UK economy:

- 'Latest developments' presents the most up-to-date statistical information available during the month, together with a calendar of recent economic events. It is important to note that data included in this section may not be wholly consistent with other sections which have gone to press earlier.

- The main section shows the movements of the key economic indicators over the last five years or so. The indicators appear in tabular form on left hand pages with corresponding charts on facing right hand pages. Colour has been used to aid interpretation in some of the charts, for example by creating a background grid on those charts drawn to a logarithmic scale. Index numbers in some tables and charts are given on a common base year for convenience of comparison.

- A further chart shows the movements of four composite indices over 20 years against a reference chronology of business cycles. The indices group together indicators which lead, coincide with and lag behind the business cycle, and a short note describes their most recent movements. The February, May, August and November issues carry further graphs showing separately the movements in all of the 22 indicators which make up the composite indices.

In addition, quarterly articles on the national accounts appear in the January, April, July and October issues, and on the balance of payments in the March, June, September and December issues. Occasional articles comment on and analyse economic statistics and introduce new series, new analyses and new methodology.

Economic Trends is prepared monthly by the Central Statistical Office in collaboration with the statistics divisions of Government Departments and the Bank of England.

Notes on the tables

1. The main tables and charts in this issue contain information available to the CSO on 19 March. The 'Latest developments' section may contain later information.

2. The statistics relate mainly to the United Kingdom; where figures are for Great Britain only, this is shown on the table.

3. Rounding may lead to inconsistencies between the sum of constituent parts and the total in some tables.

4. A line drawn across a column between two consecutive figures indicates that the figures above and below the line have been compiled on different bases and are not strictly comparable. In each case a footnote explains the difference.

5. 'Billion' denotes one thousand millions.

6. There may sometimes be an inconsistency between a table and the corresponding chart, because the data may be received too late to update the chart. In such cases it should be assumed that the table is correct.

Correction to Economic Trends No. 364 February 1984

Page 3, Financial aggregates
Fourth line from bottom **Delete** £11 620 **Insert** £1 620

Symbols used:

..	not available or not meaningful
—	nil or less than half the final digit shown
§	series for which measures of variability are given on page 80
†	indicates that the data have been revised since last issue; the period marked is the earliest in the table to have been revised

The Editor would welcome readers' suggestions for improvements to *Economic Trends*

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Latest developments in the economy[1]

Data available at 27 March 1984

Output

Provisional estimates suggest that output of the whole economy increased by ½ per cent between the third and fourth quarters of 1983 to a level 2¾ per cent higher than in the final quarter of 1982.

Output of the production industries is provisionally estimated to have increased by 1½ per cent in the three months to January 1984; manufacturing output also rose by 1½ per cent, and oil and gas extraction by 7 per cent.

Consumers' expenditure

The provisional estimate of the volume of retail sales in February is 108.9 (1980 = 100), which is higher than in January but still below the level of the fourth quarter of 1983. In the three months December to February, the level of trade was ½ per cent lower than in the previous three months but about 4 per cent higher than the corresponding period a year ago.

Consumers' expenditure at constant 1980 prices rose by ½ per cent between the third and fourth quarters of 1983. This continued increase reflects the upward trend in retail sales which account for just under half of the total. In particular demand for radio and electrical goods increased strongly. Spending on energy fell slightly and beer consumption returned to previous levels after an exceptionally high third quarter figure. In the year 1983 as a whole, the volume of consumers' expenditure was 4 per cent higher than in 1982.

Official reserves and exchange rate (not seasonally adjusted)

The UK official reserves rose by $210 million in February to $17 983 million. Accruals of borrowing under the exchange cover scheme amounted to $192 million; repayments of such borrowing amounted to $22 million.

Up to 27 March, the average sterling effective exchange rate for March was 1.3 per cent lower than in February.

Earnings and wage rates

The whole economy index of average earnings in January 1984 at 154.7 (January 1980 = 100) was 0.8 per cent above December 1983 and 7.1 per cent above January 1983. The underlying increase in average earnings over this period allowing for temporary factors such as back-pay and variations in the timing of pay settlements was about 7¾ per cent, similar to the increase in the year to December 1983. Back-pay was substantially lower in January 1984 than in January 1983, and earnings in January 1984 were depressed by industrial action. In manufacturing industries, the underlying increase in average earnings in the year to January 1984 was about 9½ per cent, a small reduction of around ¼ per cent compared with the increases in the year to December. The slightly lower annual increase in January probably reflects the reduction in average working hours in January.

Prices (not seasonally adjusted)

The retail prices index (RPI) for February 1984 was 344.0 (January 1974 = 100), an increase of 0.4 per cent from January and an increase of 5.1 per cent on February 1983. The tax and price index for February 1984 was 178.8 (January 1978 = 100), 4.2 per cent up on February 1983.

The price index for materials and fuel purchased by manufacturing industry (revised definition) rose by 0.4 per cent between January and February. Higher scheduled prices for petroleum products accounted for over two-thirds of this increase. The change in this index measured over a twelve month period fell to 6.9 per cent in February from 7.7 per cent in January.

The producer price index for the home sales of manufactured products (revised definition) increased by 0.6 per cent between January and February. Price increases were widely spread across industry. The movement in the index measured over a twelve month period increased to 5.9 per cent in February from 5.7 per cent in January.

Unemployment and vacancies

The unemployment count figures for the United Kingdom (excluding school leavers) rose by 28 600 between January and February 1984 to 3 004 600. The January total reflects the effects in April to August 1983 of the provisions in the 1983 Budget for some men aged 60 and over who no longer have to sign on at an unemployment benefit office. However, allowing for this effect, unemployment is estimated at 3 166 400 in February. Vacancies notified to Jobcentres fell by 3 300 in February to 148 700. There are probably about 350 000 to 400 000 vacancies in the economy as only about one-third are notified to Jobcentres.

Companies

Company profits continue to improve quite strongly. In 1983 as a whole, company gross trading profits are estimated to have been about one quarter higher than in 1982.

In the fourth quarter of 1983 the results of the Department of Trade and Industry's survey of company liquidity fell back after the sharp rise in the third quarter but remained well above first and second quarter levels. The liquidity ratio fell from 117 at the beginning of the quarter to 111 at the end for all survey companies, from 131 to 116 for manufacturing companies and from 93 to 79 for other non-manufacturing companies. The liquidity ratio for oil companies, however, rose from 100 at the beginning of the quarter to 150 at the end.

Financial aggregates

During banking February 1984 (four weeks to 15 February) sterling M3 fell slightly, by £20 million, but PSL2 rose by 1.2 per cent and M1 by 0.7 per cent.

[1]All data are seasonally adjusted unless otherwise stated. In most cases estimates are provisional and subject to revision.

Since the beginning of the current target period in mid-February 1983 these aggregates have grown by 9.7 per cent, 12.3 per cent and 11.1 per cent respectively.

As announced on Budget Day, the wide monetary base, MO, will be one of the target aggregates in the 1984–85 target period. The method of calculating MO has been changed in order to reduce the effects of the erratic short-term fluctuations in banks' operational balances with the Bank of England. MO rose by 0.2 per cent in February and has grown by 6.3 per cent from the level in banking February 1983.

PSL1 fell by 0.1 per cent in February while M2 was broadly unchanged (not seasonally adjusted).

Among the counterparts to the change in sterling M3, the net effect of public sector transactions was expansionary by £570 million. The central government borrowing requirement was £1 860 million, including substantial on-lending to local authorities. The direct contribution of local authorities and public corporations to the public sector borrowing requirement (net of non-bank private sector purchases of their debt) was very small. The non-bank private sector's net purchases of central government debt totalled £1 310 million.

Sterling lending to the private sector rose by £1 030 million. Within the total, on a not seasonally adjusted basis, advances rose by £720 million and bill finance by £600 million (including an increase of £520 million in the refinancing of commercial bills by the Issue Department of the Bank of England). The sterling value of UK residents' foreign currency deposits rose by £670 million (not seasonally adjusted), an estimated rise of £960 million in transactions terms being partly offset by valuation changes.

Capital expenditure

Capital expenditure by manufacturing, construction, distribution and financial industries is estimated at £3 915 million at 1980 prices in the fourth quarter of 1983, nearly 3 per cent above the level in the preceding quarter. Expenditure in the second half of 1983 was over 3 per cent above that in the first half of 1983.

Manufacturers' investment (taking account of the leasing of assets to manufacturers from the financial industries) is estimated at £1 332 million at 1980 prices in the fourth quarter, 4½ per cent above the third quarter. Comparison on a six-monthly basis shows that the volume of investment in the latest six months was 3 per cent higher than that in the preceding six months. Investment by the construction, distribution and financial industries (excluding leasing to manufacturers) in the fourth quarter of 1983 is estimated at £2 584 million, 2 per cent above the third quarter level. Comparisons on a six-monthly basis show a rise of over 3 per cent between the two latest six-month periods.

Stockbuilding

The level of stocks held by the production industries, wholesalers and retailers rose by about £175 million at 1980 prices in the fourth quarter of 1983. There were notable changes in the manufacturing and wholesaling industries where there were increases in stocks of around £180 million and £130 million respectively following the heavy destocking in the third quarter. Retailers increased their stocks by around £45 million in the fourth quarter. These rises were partially offset by a fall of about £175 million in the energy and water supply industries. The level of stocks held by the production industries, wholesalers and retailers fell by around £235 million in 1983 following destocking of about £960 million in 1982. This moderation was largely accounted for by manufacturing industry where stocks were reduced by around £285 million during 1983 following destocking of about £1 010 million in 1982.

Balance of payments

The current account for February is estimated to have been in surplus by £779 million compared with a deficit of £129 million in January. In the period December to February, the current account was in surplus by £1 118 million compared with a surplus of £223 million in the previous three months. There was a surplus on visible trade of £587 million in the latest three months compared with a deficit of £300 million in the previous three months. The surplus on invisibles is projected at £531 million compared with £523 million in the previous three months; a large surplus on the transactions of the private sector and public corporations being partly offset by a deficit on government transactions.

The visible trade balance in February was in surplus by £569 million compared with a deficit of £339 million in January. There was a surplus on oil of £823 million compared with £719 million in January. The deficit on trade in non-oil goods of £1 058 million in January fell to £254 million in February. The value of exports in February was 15 per cent higher than in January; excluding oil and the erratic items, exports increased by 8 per cent, reflecting higher deliveries of chemicals and finished manufactures. Total imports in February were 2 per cent lower than in January.

The volume of total exports was 7½ per cent higher in the latest three months than in the previous three months and 9½ per cent higher than a year ago. The underlying level of non-oil export volume has increased sharply in recent months. Import volume in the three months to February was a little higher than in the previous three months, which included an erratically high October figure. The underlying level of non-oil import volume continues to rise.

Selected monthly indicators[1]

	Seasonally adjusted					Unadjusted					Seasonally adjusted	
	1980 = 100	1980 = 100	Thousands		Jan. 1980 = 100	1980 = 100	Jan. 1974 = 100	Jan. 1978 = 100	1975 = 100	$ billion	£ million	
	Volume of retail sales (GB)[2,3] §	Total production industries	Unemployment[5§6,13]	Vacancies[7§6]	Average earnings (whole economy: GB)[8]	Producer price of materials and fuel[9]	Retail price index (all items)	Tax and price index	Sterling effective exchange rate	U.K. official reserves[10]	Balance of payments: Current balance	Money stock sterling M_3
1982 D	104.5	99.0†	2 948.8	117.6	142.0†	122.8	325.5	170.5	85.4	17.0	+761	91 670
1983 J	105.2	99.5	2 982.7	122.0	144.5	124.1	325.9	170.7	81.9	16.9	+131	92 440
F	105.1	99.9	3 000.6	124.0	147.2	125.4	327.3	171.6	80.7	16.6	+382	92 950
M	106.0	98.9	3 025.7	126.1	146.3	124.2	327.9	171.9	79.1	17.3	+581	93 880
A	107.1	99.9	3 021.1	134.5	147.0	123.1	332.5	171.8	82.8	17.7	− 41	95 450
M	107.4	100.1	2 969.9	131.1	148.6	123.8	333.9	172.6	84.9	17.9	−296	95 950
J	107.4	98.7	2 967.7	139.3	148.2	124.0	334.7	173.1	85.2	17.7	+300	97 520
J	107.0	101.1	2 957.3	153.4	150.3	123.2	336.5	174.2	84.8	17.9	+ 78	98 300
A	107.6	101.0	2 940.9	162.0	150.2	124.6	338.0	175.1	85.1	18.0	+223	98 420
S	110.0	101.7	2 951.3	163.6	150.7	126.5	339.5	176.0	84.8	17.9	+352	98 020
O	109.0	101.6	2 941.0	167.0	152.0	126.2	340.7	176.7	83.4	18.1	−312	99 440
N	110.9	101.8	2 938.5	162.8	152.1	127.4	341.9	177.5	83.7	18.1	+183	100 000
D	111.0	102.9	2 946.1	154.9	153.4	131.7[12]	342.8	178.0	82.5	17.8	+469	101 540
1984 J	107.7	103.6	2 976.0	152.0	154.7[12]	133.6[12]	342.6	177.9	81.9	17.8	−89	102 180
F	108.9[12]		3 005.1	148.7		134.1[12]	344.0	178.8	82.2	18.0	+819	102 180
M			3 016.0[12]	148.8								
	Percentage change, latest three months on previous three months											
1982 D	*+1.0*	*−0.4*	*+2.7*	*+4.0*	*+1.6*	*+3.5*	*+0.7*	..	*−2.6*	..	..	*+3.0*
1983 J	*+1.0*	*−0.2*	*+2.9*	*+5.6*	*+2.6*	*+5.5*	*+0.7*	..	*−6.9*	..	..	*+2.3*
F	*+1.5*	*+1.3*	*+3.2*	*+8.3*	*+3.2*	*+6.1*	*+0.5*	..	*−9.3*	..	..	*+2.0*
M	*+1.5*	*+1.3*	*+3.1*	*+7.5*	*+3.4*	*+4.3*	*+0.5*	..	*−9.5*	..	..	*+2.1*
A	*+1.5*	*+1.1*	*+2.4*	*(+2.7)+ 8.6*	*+2.9*	*+1.9*	*+1.0*	..	*−5.5*	..	..	*+2.7*
M	*+1.8*	*+0.1*	*+0.9*	*(+2.4)+ 7.8*	*+1.9*	*−0.3*	*+1.6*	..	*−0.5*	..	..	*+3.1*
J	*+1.8*	*+0.1*	*−0.6*	*(+2.4)+ 8.9*	*+1.3*	*−0.7*	*+2.0*	..	*+4.6*	..	..	*+3.6*
J	*+1.2*	*+0.4*	*−1.7*	*(+2.3)+10.2*	*+1.5*	*−0.5*	*+1.8*	..	*+5.1*	..	..	*+3.5*
A	*+0.5*	*+0.6*	*−1.7*	*(+1.8)+16.1*	*+1.6*	*+0.2*	*+1.5*	..	*+3.3*	..	..	*+3.2*
S	*+0.9*	*+1.7*	*−1.2*	*(+1.1)+18.3*	*+1.7*	*+0.9*	*+1.3*	..	*+0.7*	..	..	*+2.1*
O	*+1.6*	*+1.5*	*−0.7*	*(+0.4)+16.2*	*+1.3*	*+1.7*	*+1.3*	..	*−0.7*	..	..	*+1.4*
N	*+2.5*	*+1.4*	*−0.4*	*(—)+ 8.5*	*+1.3*	*+2.2*	*+1.3*	..	*−1.2*	..	..	*+1.1*
D	*+1.9*	*+0.8*	*−0.3*	*(−0.2)+ 1.2*	*+1.4*	*+2.9*[12]	*+1.1*	..	*−2.0*	..	..	*+2.0*
1984 J	*+0.9*	*+1.3*	*+0.3*	*(+0.3)− 4.6*	*+1.6*[12]	*+4.1*[12]	*+1.0*	..	*−2.0*	..	..	*+2.5*
F	*−0.6*[12]		*+1.1*	*− 7.7*		*+5.1*[12]	*+0.7*	..	*−2.1*	..	..	*+2.6*
	Percentage change, latest three months on corresponding period of previous year											
1982 D	*+4.7*	*+0.1*	*+11.7*	*+10.8*	*+7.9*	*+4.0*	*+6.2*	*+6.6*	*− 0.7*	..	..	*+10.7*
1983 J	*+4.7*	*+1.4*	*+11.7*	*+ 9.5*	*+8.3*	*+4.6*	*+5.5*	*+5.8*	*− 5.6*	..	..	*+10.1*
F	*+4.6*	*+2.8*	*+11.9*	*+ 9.5*	*+8.8*	*+5.3*	*+5.2*	*+5.5*	*− 9.2*	..	..	*+10.2*
M	*+3.6*	*+2.5*	*+12.1*	*+11.0*	*+9.0*	*+5.6*	*+4.9*	*+5.2*	*−11.6*	..	..	*+10.1*
A	*+4.7*	*+2.0*	*+11.9*	*(+12.3)+15.4*	*+8.9*	*+5.8*	*+4.6*	*+4.5*	*−10.9*	..	..	*+10.6*
M	*+5.3*	*+1.4*	*+10.7*	*(+12.4)+19.8*	*+8.6*	*+6.2*	*+4.1*	*+3.8*	*− 8.8*	..	..	*+10.9*
J	*+5.9*	*+1.3*	*+ 8.9*	*(+12.1)+25.9*	*+8.4*	*+6.7*	*+3.8*	*+3.3*	*− 6.6*	..	..	*+11.4*
J	*+5.8*	*+1.8*	*+ 6.8*	*(+11.5)+31.2*	*+8.2*	*+6.8*	*+3.8*	*+3.1*	*− 6.3*	..	..	*+11.7*
A	*+5.0*	*+2.2*	*+ 5.3*	*(+10.6)+37.6*	*+8.1*	*+7.3*	*+4.1*	*+3.2*	*− 6.8*	..	..	*+11.9*
S	*+5.2*	*+2.7*	*+ 4.0*	*(+ 9.6)+44.0*	*+8.2*	*+8.1*	*+4.6*	*+3.5*	*− 7.2*	..	..	*+11.2*
O	*+5.3*	*+2.7*	*+ 2.9*	*(+ 8.6)+47.0*	*+8.6*	*+8.8*	*+4.9*	*+3.9*	*− 8.2*	..	..	*+10.2*
N	*+6.4*	*+3.6*	*+ 2.0*	*+47.0*	*+8.2*	*+8.3*	*+5.0*	*+4.0*	*− 7.9*	..	..	*+ 9.7*
D	*+6.2*	*+4.0*	*+ 1.0*	*+40.2*	*+8.0*	*+7.5*[12]	*+5.0*	*+4.1*	*− 6.6*	..	..	*+10.1*
1984 J	*+5.3*	*+4.3*	*+ 0.3*	*+32.7*	*+7.5*[12]	*+7.3*[12]	*+5.1*	*+4.1*	*− 3.4*	..	..	*+10.4*
F	*+4.2*[12]		*− 0.1*	*+25.3*		*+7.3*[12]	*+5.2*	*+4.3*	*− 0.6*	..	..	*+10.3*

[1] Data given may not be wholly consistent with that shown elsewhere in the publication.
[2] This index is given to one decimal place but this does not imply that it can be regarded as accurate to the last digit shown.
[3] Monthly figures of retail sales are based on four-week periods, except for the months of March, June, September and December which are five-week periods.
[4] All industries covered.
[5] Unemployed excluding school leavers. The figures for Great Britain prior to May 1979 and for Northern Ireland prior to November 1982 are estimated.
[6] The seasonally adjusted series have been revised as described in the December 1982 *Employment Gazette*.
[7] Vacancies notified to job centres.
[8] The seasonal adjustment factors currently used are based on data up to December 1982.
[9] Purchased by manufacturing industry. (Revised definition)
[10] See footnote[2] on page 50.
[11] The recorded unemployment figures for July to October 1981 are over-stated by about 20,000 (net) as a result of industrial action at benefit offices. The seasonally adjusted total for the UK has been reduced to allow for this. No adjustment has been made to other unemployment figures.
[12] Provisional.
[13] From 1 April 1983, the figures reflect the effects of the provisions in the Budget for some men aged sixty and over who no longer have to sign on at an unemployment benefit office. The figures in brackets allow for these effects.

Tables and charts

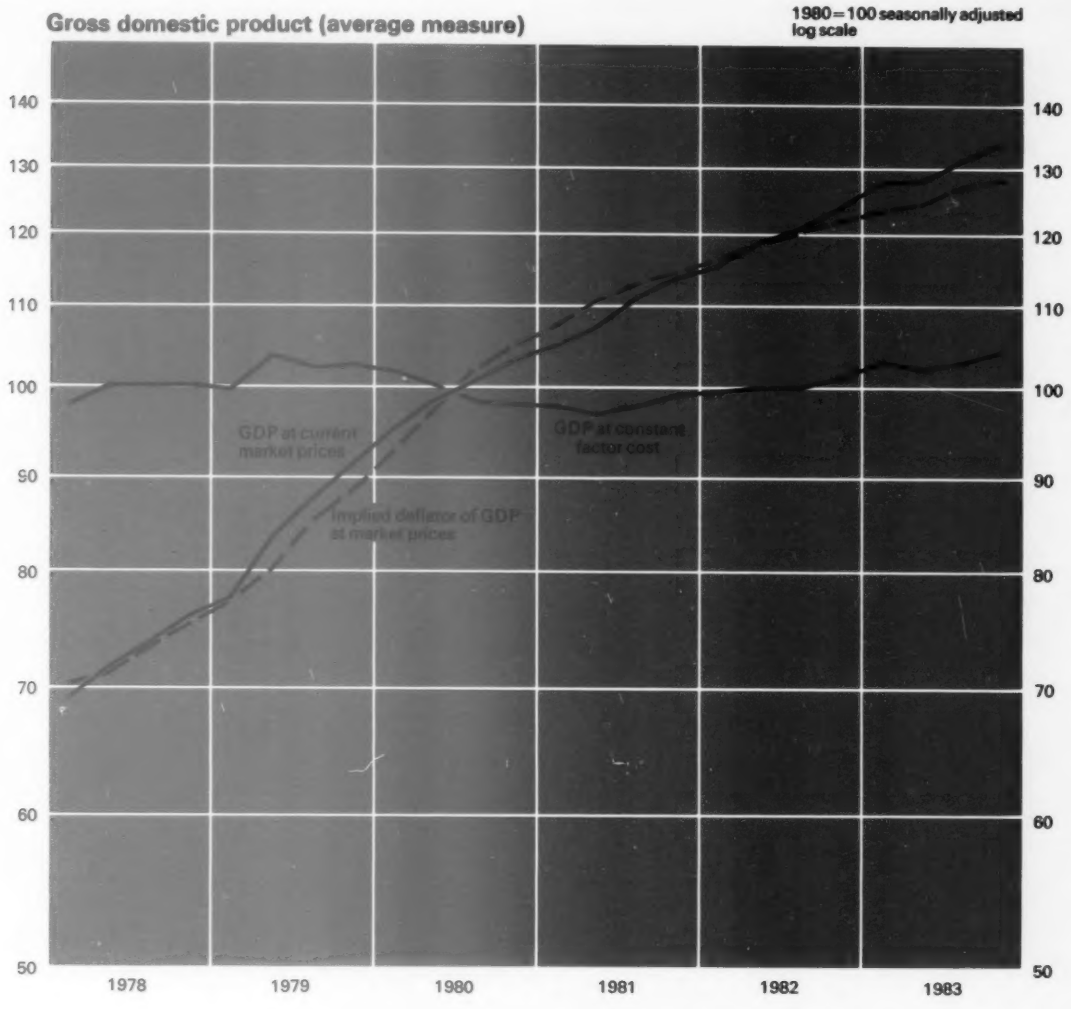
Gross domestic product at market prices and at factor cost, total home costs and national disposable income revalued at 1980 market prices[1]

Seasonally adjusted

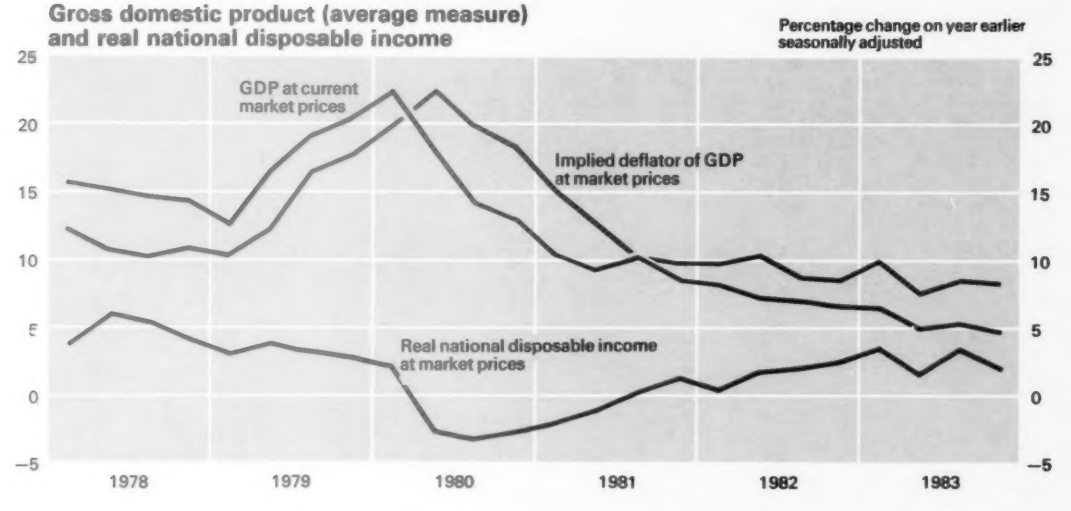
	Gross domestic product				Gross domestic product						Implied index of total home costs	National disposable income at 1980 market prices
	At market prices[2]			Implied market price GDP deflator	At factor cost							
	At current prices		At 1980 prices		At current prices		At 1980 prices					
	£ billion	1980 = 100	1980 = 100		£ billion[3]		1980 = 100				1980 = 100	1980 = 100
	Based on:				Based on:		Based on:				Based on:	
	expenditure data	average estimate	average estimate	average estimate	expenditure data	income data	expenditure data§	income data[4]§	output data§	average estimate§	expenditure data	average estimate
1973	73.5	32.5	94.6†	34.4	64.8	65.5	94.4†	94.4	96.4	95.0†	34.9	95.5†
1974	83.6	36.7	92.9	39.5	75.1	74.5	93.7	92.1	94.8	93.5	40.8	90.7
1975	105.4	46.1	91.9	50.2	95.0	94.3	93.0	91.5	93.0	92.5	51.9	90.4
1976	125.6	54.4	94.2	57.7†	112.6	109.9	96.5	93.3	94.7	94.8	59.4	92.4
1977	144.8	63.3	96.4	65.7	128.1	127.7	97.8	96.6	97.3	97.2	66.6	93.8
1978	166.5	72.9	99.9	73.0	147.2	147.0	100.7	99.6	100.4	100.2	74.3	98.5
1979	194.5†	85.6	102.5	83.5	169.2†	170.2	102.4	102.1	103.3	102.6	84.0	101.7
1980	227.5	100.0	100.0	100.0	196.6	198.5	100.0	100.0	100.0	100.0	100.0	100.0
1981	251.6	109.9†	98.4	111.7	215.3	215.5†	99.3	98.5†	98.0	98.6	110.3†	99.5
1982	275.7	120.3	100.5	119.8	234.0	234.8	101.4	100.8	99.4†	100.5	117.4	101.3
1983	300.6	130.6	103.5	126.2	256.9	257.0	104.9	104.0	101.6	103.5	124.5	104.0
1979 *1*	44.2	78.2	100.2	78.0	38.8	39.3	99.4†	99.6†	101.0	100.0	79.5	99.7
2	47.7	83.9	104.2	80.5	41.9	41.8	104.1	103.0	104.8	104.0	81.8†	102.8
3	50.5	88.5	102.7†	86.1†	43.6	43.6	103.8	102.8	103.4	103.3†	85.4	102.3†
4	52.1†	92.0	103.1	89.3	44.9†	45.5	102.5	103.1	103.9	103.2	89.0	102.1
1980 *1*	54.0	95.8†	102.4	93.6	46.5	47.7	101.2	102.8	102.7	102.2	93.5	101.8
2	56.0	99.1	100.5	98.6	48.4	49.5	100.1	101.4	100.7	100.7	98.4	100.0
3	57.8	101.1	98.7	102.5	50.1	50.0	99.3	98.1	98.9	98.8	102.6	99.0
4	59.7	104.0	98.5	105.6	51.6	51.3	99.3	97.8	97.7	98.2	105.7	99.2
1981 *1*	61.3	105.8	98.3	107.7	53.0	51.6†	100.3	97.0	97.4†	98.3	107.4	99.8
2	62.1	108.2	97.4	111.2	53.2	52.6	98.5	96.5	97.6	97.5	109.9	98.9
3	63.2	111.4	98.5	113.1	53.9	54.7	98.2	98.7	98.5	98.5	111.7	99.2
4	65.0	114.3	99.6	114.7	55.2	56.6	100.1	101.6	98.5	100.1	112.3	100.5
1982 *1*	66.6	116.3	99.9	116.4	56.0	56.5	100.8	100.7	98.5	100.0	113.0	100.2
2	68.4	119.5	100.3	119.2	58.2	58.5	101.1	100.7	99.3	100.3	117.2	100.7
3	69.1	121.3	100.3	121.0	58.7	59.2	100.5	100.4	99.7	100.2	118.8	101.2
4	71.6	124.2	101.4	122.4	61.1	60.6	103.1	101.3	100.0	101.5	120.6	103.0
1983 *1*	74.2	127.9	103.1	124.0	63.5	62.6	105.7	103.4	100.6	103.2	122.0	103.7
2	73.7	128.6	102.8	125.1	62.8	63.4	103.6	103.7	100.7	102.7	123.4	102.4
3	75.3	131.7	103.4	127.4	64.4	64.7	104.0	103.4	102.2	103.2	126.0	104.7
4	77.4	134.4	104.8	128.3	66.2	66.3	106.3	105.5	102.7	104.8	126.7	105.1
	Percentage change, quarter on corresponding quarter of previous year.											
1979 *1*	*11.5†*	*12.8†*	*2.0†*	*10.5*	*10.3*	*12.2*	*0.5†*	*2.3†*	*2.7*	*1.8†*	*9.8*	*3.2†*
2	*15.7*	*16.7*	*3.8*	*12.4*	*14.7*	*15.5*	*2.1*	*2.7*	*4.3*	*3.1*	*12.4†*	*3.9*
3	*19.9*	*19.3*	*2.2*	*16.7†*	*17.0*	*16.2*	*3.2*	*2.5*	*2.1*	*2.6*	*13.3*	*3.2*
4	*19.7*	*20.6*	*2.4*	*17.8*	*17.3*	*19.0*	*1.2*	*2.7*	*2.2*	*2.1*	*15.9*	*2.8*
1980 *1*	*22.3*	*22.5*	*2.2*	*20.0*	*19.8†*	*21.5*	*1.9*	*3.2*	*1.6*	*2.2*	*17.6*	*2.1*
2	*17.4*	*18.1*	*−3.6*	*22.5*	*15.6*	*18.3†*	*−3.8*	*−1.6*	*−3.9*	*−3.2*	*20.3*	*−2.7*
3	*14.4*	*14.2*	*−3.9*	*19.0*	*14.9*	*14.6*	*−4.3*	*−4.6*	*−4.3*	*−4.4*	*20.1*	*−3.2*
4	*14.6*	*13.0*	*−4.5*	*18.3*	*15.0*	*12.8*	*−3.2*	*−5.1*	*−6.0*	*−4.8*	*18.8*	*−2.8*
1981 *1*	*13.4*	*10.4*	*−4.0*	*15.1*	*13.9*	*8.3*	*−0.9*	*−5.6*	*−5.1*	*−3.8*	*14.9*	*−2.0*
2	*10.8*	*9.2*	*−3.1*	*12.8*	*9.9*	*6.3*	*−1.7*	*−4.8*	*−3.1*	*−3.2*	*11.7*	*−1.1*
3	*9.4*	*10.2*	*−0.2*	*10.3*	*7.6*	*9.5*	*−1.1*	*0.6*	*−0.5†*	*−0.3*	*8.9*	*0.2*
4	*9.0*	*9.9*	*1.1*	*8.6*	*7.1*	*10.2*	*0.8*	*3.9*	*0.9*	*1.9*	*6.2*	*1.3*
1982 *1*	*8.7*	*9.9*	*1.6*	*8.1*	*5.7*	*9.3*	*0.5*	*3.8*	*1.1*	*1.7*	*5.2*	*0.4*
2	*10.1*	*10.4*	*3.0*	*7.2*	*9.4*	*11.2*	*2.6*	*4.4*	*1.7*	*2.9*	*6.6*	*1.8*
3	*9.4*	*8.9*	*1.8*	*7.0*	*8.9*	*8.3*	*2.3*	*1.7*	*1.2*	*1.7*	*6.4*	*2.0*
4	*10.1*	*8.7*	*1.8*	*6.7*	*10.6*	*7.1*	*3.0*	*−0.3*	*1.5*	*1.4*	*7.4*	*2.5*
1983 *1*	*11.4*	*10.0*	*3.2*	*6.5*	*13.3*	*10.9*	*4.9*	*2.7*	*2.1*	*3.2*	*8.0*	*3.5*
2	*7.8*	*7.6*	*2.5*	*5.0*	*7.9*	*8.4*	*2.5*	*3.0*	*1.5*	*2.4*	*5.3*	*1.7*
3	*8.9*	*8.6*	*3.1*	*5.3*	*9.8*	*9.3*	*3.5*	*3.0*	*2.5*	*3.0*	*6.1*	*3.5*
4	*8.1*	*8.2*	*3.4*	*4.8*	*8.3*	*9.4*	*3.1*	*4.1*	*2.7*	*3.3*	*5.1*	*2.0*

[1] The index numbers are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.
[2] For details of these series see Introduction to November 1981 issue.
[3] Figures in £ million are given on page 14.
[4] Income data deflated by the implied index of total home costs.

Gross domestic product (average measure)



Gross domestic product (average measure) and real national disposable income



8

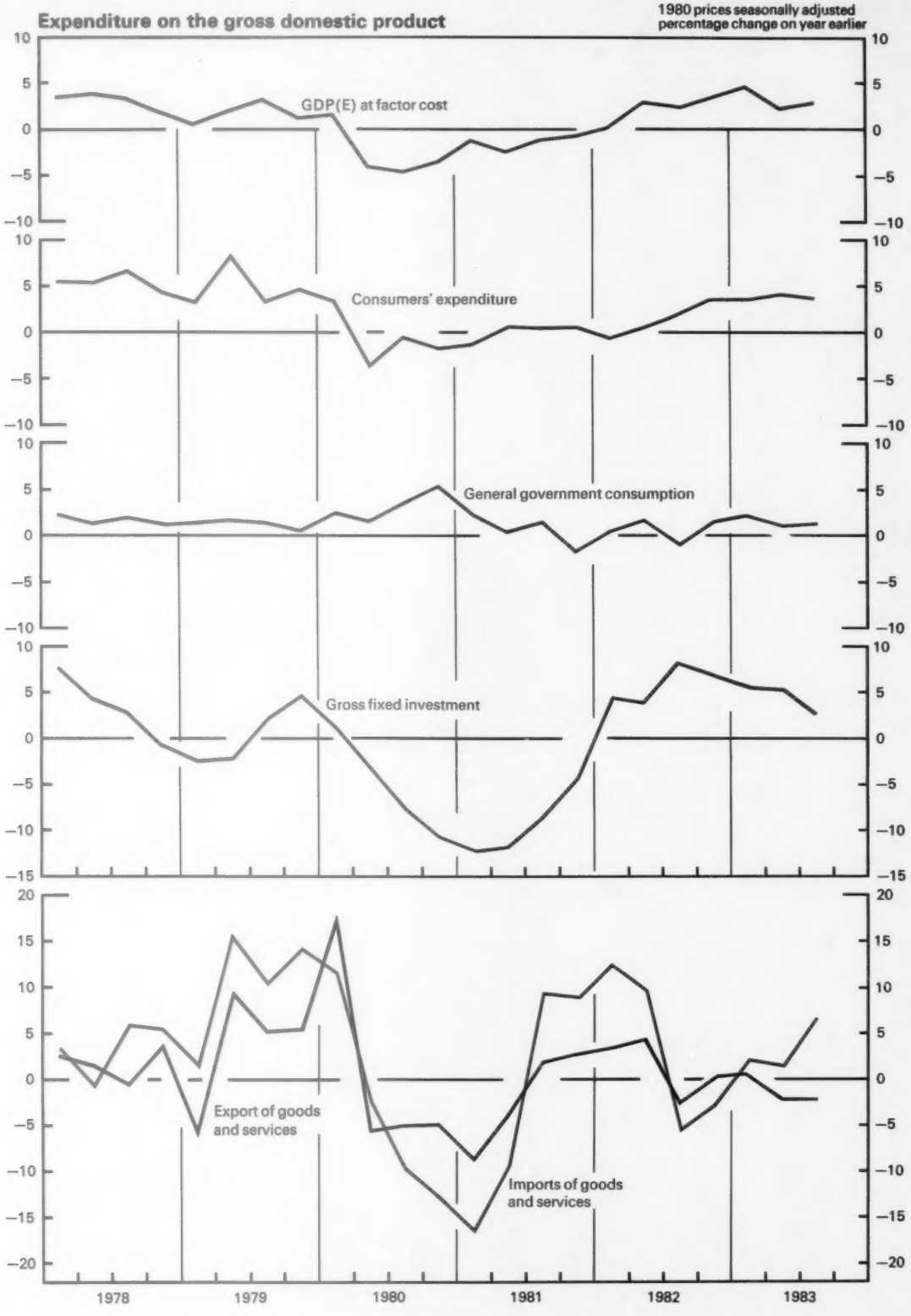
Expenditure on the gross domestic product

Seasonally adjusted

£ million, 1980 prices

	Gross domestic product at factor cost (expenditure based)[1]	Final expenditure on goods and services at market prices									
				General government consumption							
		Total[1]	Consumers' expenditure	Total[1]	Central government	Local authorities	Gross fixed investment	Stock building	Exports of goods and services	Imports of goods and services	Adjustment to factor cost
1973	185 538	266 716	127 734	42 814	25 158	17 610	41 798	5 047	49 451	52 693	28 208
1974	184 279	265 498	125 552	43 465	26 046	17 407	40 639	2 860	53 072	53 350	27 279
1975	182 858	259 499	124 824	45 814	27 473	18 330	40 297	−2 901	51 657	49 576	26 863
1976	189 743	269 425	125 097	46 249	28 048	18 212	40 856	1 081	56 282	51 641	27 783
1977	192 371	272 734	124 646	45 734	27 876	17 879	39 851	2 638	59 913	52 251	27 763
1978	196 000	282 537	131 485	46 728	28 184	18 544	41 210	2 090	61 024	54 267	30 270
1979	201 456†	292 856†	138 004	47 683†	28 631†	19 052	41 411	2 490	63 268	59 908	31 492
1980	196 642	284 925	137 324	48 387	29 442	18 945	39 241	−3 236	63 209†	57 429†	30 854
1981	195 213	280 714	137 559	48 250	29 623	18 627†	35 628†	−2 655	61 932	55 462	30 039†
1982	199 301	287 772	139 390†	48 938	29 857	19 081	37 811	−1 030†	62 663	57 564	30 907
1983	206 277	298 689	144 812	50 527	30 504	20 023	39 467	693	63 190	60 433	31 979
1977 1	47 522	67 468	30 779	11 344	6 883	4 464	9 646	1 087	14 625	13 021	6 812
2	47 927	68 288	30 887	11 497	7 012	4 491	10 142	812	14 971	13 412	6 776
3	48 006	68 124	31 220	11 422	6 973	4 454	9 945	71	15 468	13 035	7 021
4	48 916	68 854	31 760	11 471	7 008	4 470	10 118	668	14 849	12 783	7 154
1978 1	48 612	69 884	32 574	11 585	6 991	4 594	10 378	383	14 964	13 705	7 567
2	50 143	70 914	32 621	11 654	7 049	4 605	10 557	787	15 295	13 264	7 507
3	49 432	70 891	33 172	11 664	7 053	4 611	10 247	440	15 368	13 811	7 648
4	49 813	70 848	33 118	11 825	7 091	4 734	10 028	480	15 397	13 487	7 548
1979 1	48 845†	70 568†	33 677	11 804†	7 110†	4 694	10 127	852	14 108	13 895	7 828
2	51 174	74 654	35 323	11 977	7 198	4 779	10 330	279	16 745	15 345	8 135
3	51 030	73 921	34 309	11 953	7 171	4 782	10 455	1 040	16 164	15 261	7 630
4	50 407	73 713	34 695	11 949	7 152	4 797	10 499	319	16 251	15 407	7 899
1980 1	49 769	73 290	34 911	12 079	7 270	4 809	10 238	− 501	16 563†	15 557†	7 964
2	49 233	71 815	34 128	11 999	7 291	4 708	9 989	− 135	15 834	14 956	7 626
3	48 837	70 016	34 134	12 086	7 392	4 694	9 645	−1 201	15 352	13 635	7 544
4	48 803	69 804	34 151	12 223	7 489	4 734	9 369	−1 399	15 460	13 281	7 720
1981 1	49 332	69 683	34 458†	12 073	7 427	4 646†	8 992†	−1 010	15 170	12 802	7 549†
2	48 405	69 216	34 383	12 066	7 449	4 617	8 817	−1 329	15 279	13 378	7 433
3	48 284	70 702	34 297	12 095	7 387	4 708	8 833	− 182	15 659	14 807	7 611
4	49 192	71 113	34 421	12 016	7 360	4 656	8 986	− 134	15 824	14 475	7 446
1982 1	49 562	71 569	34 263	12 141	7 469	4 672	9 408	56	15 701	14 357	7 650
2	49 677	72 176	34 605	12 182	7 449	4 733	9 212	229†	15 948	14 793	7 706
3	49 382	71 334	34 949	12 197	7 459	4 738	9 562	− 620	15 246	14 187	7 765
4	50 680	72 693	35 573	12 418	7 480	4 938	9 629	− 695	15 768	14 227	7 786
1983 1	51 985	74 547	35 505	12 672	7 633	5 039	10 006	586	15 778	14 679	7 883
2	50 920	73 842	36 095	12 466	7 501	4 965	9 675	− 51	15 657	14 945	7 977
3	51 104	74 205	36 527	12 614	7 647	4 967	9 805	− 115	15 374	15 051	8 050
4	52 268	76 095	36 685	12 775	7 723	5 052	9 981	273	16 381	15 758	8 069
	Percentage change, quarter on corresponding period of previous year										
1979 1	*0.5†*	*1.0*	*3.4*	*1.9†*	*1.7†*	*2.2*	*− 2.4*	..	*− 5.7*	*1.4*	*3.5*
2	*2.1*	*5.3†*	*8.3*	*2.8*	*2.1*	*3.8*	*− 2.2*	..	*9.5*	*15.7*	*8.4*
3	*3.2*	*4.3*	*3.4*	*2.5*	*1.7*	*3.7*	*2.0*	..	*5.2*	*10.5*	*−0.2*
4	*1.2*	*4.0*	*4.8*	*1.0*	*0.9*	*1.3*	*4.7*	..	*5.5*	*14.2*	*4.7*
1980 1	*1.9*	*3.9*	*3.7*	*2.3*	*2.3*	*2.5*	*1.1*	..	*17.4*	*12.0†*	*1.7*
2	*−3.8*	*−3.8*	*−3.4*	*0.2*	*1.3*	*−1.5*	*− 3.3*	..	*− 5.4*	*− 2.5*	*−6.3*
3	*−4.3*	*−5.3*	*−0.5*	*1.1*	*3.1*	*−1.8*	*− 7.7*	..	*− 5.0*	*−10.7*	*−1.1*
4	*−3.2*	*−5.3*	*−1.6*	*2.3*	*4.7*	*−1.3*	*−10.8*	..	*− 4.9*	*−13.8*	*−2.3*
1981 1	*−0.9*	*−4.9*	*−1.3†*	*−0.1*	*2.2*	*−3.4†*	*−12.2†*	..	*− 8.4†*	*−17.7*	*−5.2†*
2	*−1.7*	*−3.6*	*0.7*	*0.6*	*2.2*	*−1.9*	*−11.7*	..	*− 3.5*	*−10.6*	*−2.5*
3	*−1.1*	*1.0*	*0.5*	*0.1*	*−0.1*	*0.3*	*− 8.4*	..	*2.0*	*8.6*	*0.9*
4	*0.8*	*1.9*	*0.8*	*−1.7*	*−1.7*	*−1.6*	*− 4.1*	..	*2.4*	*9.0*	*−3.6*
1982 1	*0.5*	*2.7*	*−0.6*	*0.6*	*0.6*	*0.6*	*4.6*	..	*3.5*	*12.1*	*1.3*
2	*2.6*	*4.3*	*0.6*	*1.0*	*—*	*2.5*	*4.5*	..	*4.4*	*10.6*	*3.7*
3	*2.3*	*0.9*	*1.9*	*0.8*	*1.0*	*0.6*	*8.3*	..	*− 2.6*	*− 4.2*	*2.0*
4	*3.0*	*2.2*	*3.3*	*3.3*	*1.6*	*6.1*	*7.2*	..	*− 0.4*	*− 1.7*	*4.6*
1983 1	*4.9*	*4.2*	*3.6*	*4.4*	*2.2*	*7.9*	*6.4*	..	*0.5*	*2.2*	*3.0*
2	*2.5*	*2.3*	*4.3*	*2.3*	*0.7*	*4.9*	*5.0*	..	*− 1.8*	*1.0*	*3.5*
3	*3.5*	*4.0*	*4.5*	*3.4*	*2.5*	*4.8*	*2.5*	..	*0.8*	*6.1*	*3.7*
4	*3.1*	*4.7*	*3.1*	*2.9*	*3.2*	*2.3*	*3.7*	..	*3.9*	*10.8*	*3.6*

[1] For years up to and including 1977 totals differ from the sum of the components because of the method used to rebase on 1980 prices.


Expenditure on the gross domestic product
1980 prices seasonally adjusted
percentage change on year earlier
GDP(E) at factor cost
Consumers' expenditure
General government consumption
Gross fixed investment
Export of goods and services
Imports of goods and services
1978
1979
1980
1981
1982
1983

Personal disposable income and consumption

	Seasonally adjusted							
	£ million, current prices				Percentage	1980 prices		
	Personal income before tax					Real personal disposable income[5]		Real consumers' expenditure[3]
	Total[1]	*of which:* Wages, salaries and forces pay	Total personal disposable income[2]	Consumers' expenditure[3]	Personal saving ratio[4]	£ million§	1980 = 100	£ million
1975	96 659	60 293	74 659	65 339	12.5	142 629	88.8	124 824
1976	111 634	67 622	85 814	75 792	11.7	141 639	88.2	125 097
1977	124 576	74 741	96 919	86 712	10.5	139 318	86.7	124 646
1978	143 001	85 466	113 319	99 596	12.1	149 602	93.1	131 485
1979	169 334	99 859	135 928	118 503	12.8	158 296	98.5	138 004
1980	200 778	118 264	160 727	137 324	14.6	160 727	100.0	137 324
1981	219 664	126 663	174 328	152 836	12.3	156 903	97.6	137 559
1982	239 012	135 329	188 274	167 899	10.8	156 487	97.4	139 552
1980 *1*	47 363	28 093	38 166	33 228	12.9	40 114	99.8	34 911
2	49 474	29 338	39 509	33 879	14.3	39 814	99.1	34 128
3	51 411	30 243	41 128	34 717	15.6	40 453	100.7	34 134
4	52 530	30 590	41 924	35 500	15.3	40 346	100.4	34 151
1981 *1*	52 973	30 786	42 477	36 615	13.8	39 926	99.4	34 423
2	54 194	31 230	42 857	37 837	11.7	38 933	96.9	34 380
3	55 504	31 988	43 846	38 722	11.7	38 863	96.7	34 329
4	56 993	32 659	45 148	39 662	12.2	39 181	97.5	34 427
1982 *1*	58 547	33 291	46 096	40 163	12.9	39 282	97.8	34 235
2	59 444	33 682	46 833	41 456	11.5	39 073	97.2	34 596
3	59 820	33 955	47 135	42 541	9.7	38 839	96.7	35 063
4	61 201	34 401	48 210	43 739	9.3	39 293	97.8	35 658
1983 *1*	62 454	35 548	49 035	44 238	9.8	39 320	97.9	35 473
2	63 007	35 832	49 574	45 366	8.5	39 399	98.1	36 055
3	64 015	36 327	50 645	46 355	8.5	39 763	99.0	36 395

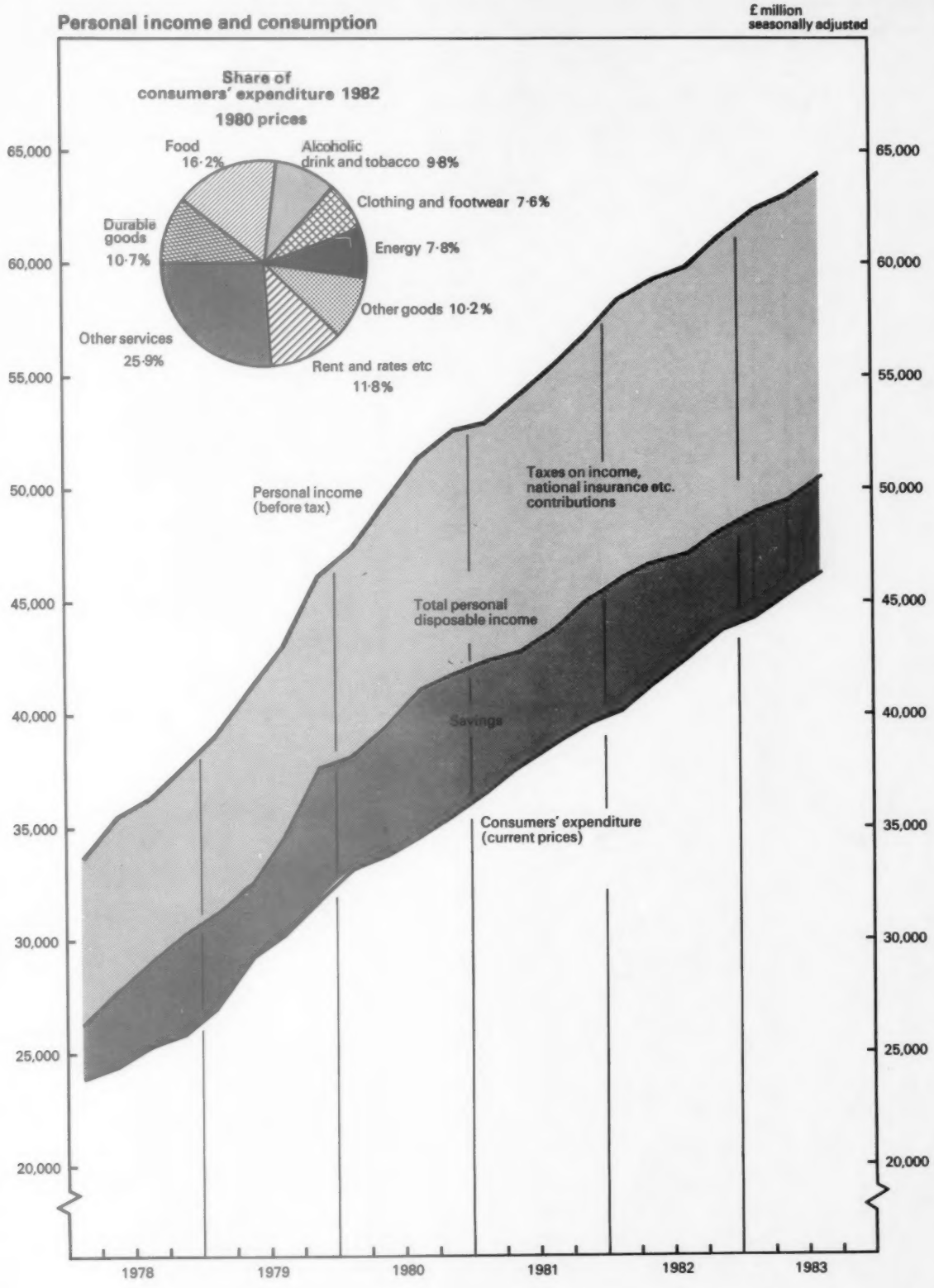
[1] Before providing for depreciation and stock appreciation.
[2] Before providing for depreciation, stock appreciation and additions to tax reserves.
[3] This table is revised and brought up to date in the January, April, July and October issues. The table below may show more up to date figures for consumers' expenditure.
[4] Personal saving as a percentage of personal disposable income.
[5] Personal income revalued by the implied consumers' expenditure deflator (1980 = 100).

Real consumers' expenditure—component categories

	Seasonally adjusted								
	£ million, 1980 prices[1]								
			Other goods					Other services	
	Total	Durable goods: total	Food	Alcoholic drink and tobacco	Clothing and footwear	Energy products	Other goods	Rent and rates etc.	Other services[2]
1976	125 097	11 367	22 159	14 239	8 297	10 347	13 401	14 937	30 411
1977	124 646	10 654	21 883	14 173	8 419	10 533	13 457	15 228	30 371
1978	131 485	12 109	22 501	15 098	9 213	10 759	14 424	15 512	31 869
1979	138 004	13 930	22 893	15 517	9 878	11 114	14 824	15 787	34 061
1980	137 324	13 019	22 873	14 963	9 733	10 957	14 220	16 040	35 519
1981	137 559	13 415	22 676	14 265	10 039	10 992	14 182	16 263	35 727
1982	139 390	14 483	22 570	13 768	10 581	11 038	14 323	16 531	36 096
1983	144 812	16 875	22 772	14 088	11 602	11 129	14 569	16 781	36 996
1980 *1*	34 911	3 530	5 843	3 836	2 458	2 781	3 639	3 990	8 834
2	34 128	3 214	5 746	3 725	2 421	2 641	3 560	4 003	8 818
3	34 134	3 169	5 668	3 686	2 424	2 749	3 507	4 016	8 915
4	34 151	3 106	5 616	3 716	2 430	2 786	3 514	4 031	8 952
1981 *1*	34 458	3 309	5 697	3 691	2 492	2 735	3 544	4 045	8 945
2	34 383	3 428	5 629	3 533	2 484	2 747	3 544	4 060	8 958
3	34 297	3 352	5 676	3 551	2 499	2 705	3 546	4 073	8 895
4	34 421	3 326	5 674	3 490	2 564	2 805	3 548	4 085	8 929
1982 *1*	34 263	3 273	5 568	3 477	2 583	2 748	3 555	4 107	8 952
2	34 605	3 437	5 733	3 420	2 601	2 751	3 567	4 127	8 969
3	34 949	3 698	5 570	3 401	2 660	2 775	3 603	4 139	9 103
4	35 573	4 075	5 699	3 470	2 737	2 764	3 598	4 158	9 072
1983 *1*	35 505	4 052	5 595	3 481	2 745	2 759	3 610	4 173	9 090
2	36 095	4 079	5 716	3 482	2 910	2 876	3 630	4 188	9 214
3	36 527	4 308	5 652	3 573	2 948	2 768	3 645	4 206	9 429
4	36 685	4 436	5 809	3 552	2 999	2 728	3 684	4 214	9 263

[1] For the years prior to 1978, the total differs from the sum of the components due to the method of rebasing to 1980 prices.
[2] Including the adjustments for international travel, etc and final expenditure by private non-profit-making bodies.

Personal income and consumption



Retail sales, new registrations of cars and consumer credit (Great Britain)

	Seasonally adjusted										
	Weekly average 1980 = 100							Thousands[1]	£ million		
	Value of retail sales[2]	Volume of retail sales[2]							Consumer credit	Hire purchase and other credit business[4]	
	Total[2]	Total[3]	Food retailers[3]	Mixed retail businesses[3]	Clothing and footwear retailers	Household goods retailers	Other non-food retailers	New registrations of cars[5]	Change in total outstanding	New credit extended	Change in amounts outstanding[6]
Sales in 1980 £ million	57 406	57 406	22 556	10 913	5 281	8 923	9 733				
1975	50.8	93.5	96.0	89.2	91	82	104	98.5	..	2 981	– 13
1976	58.2	93.1	93.1	91.3	90	85	104	106.5	330	3 474	+ 348
1977	66.5	91.5	91.2	90.9	85	86	101	109.4	729	4 735	+ 935
1978	76.1	96.4	92.3	98.6	96	94	106	131.6	1 475	6 167†	+1 547
1979	88.8	100.6	95.9	103.3	102	102	107	142.1	2 060	7 351	+1 766
1980	100.0	100.0	100.0	100.0	100	100	100	126.6	1 643	7 819	+1 184†
1981	108.2	100.4	100.7	100.9	100	101	98	124.6	2 491	7 854	+ 676
1982	116.9	102.5	101.6	104.5	106	105	98	132.0	2 581	9 109	+1 631
1983	127.7	107.9	105.9	110.2	116	116	98	150.5	..	10 521	+2 771
1981 *1*	106.4	101.9	102.2	102.3	101	103	100	119.3	578	1 888†	+ 124†
2	107.0	100.1	100.7	99.5	99	101	99	123.6	582	1 942	+ 155
3	109.3	100.5	100.7	100.7	100	102	99	125.9	687	2 006	+ 117
4	110.1	99.2	99.2	101.1	101	100	96	129.4	644	2 018	+ 280
1982 *1*	114.5	101.8	101.1	103.3	105	102	100	118.0	523	2 103	+ 277
2	115.1	101.3	101.2	102.3	105	101	99	125.0	466	2 167	+ 337
3	117.6	102.9	101.7	105.5	106	107	97	138.6	700	2 362	+ 534
4	120.5	103.9	102.5	106.9	108	109	97	146.4	892	2 477	+ 483
1983 *1*	122.8	105.5	104.1	107.3	110	113	98	143.8	764	2 520	+ 670
2	126.0	107.3	104.9	109.4	116	116	98	149.0	765	2 540	+ 591
3	129.2	108.3	106.4	110.5	117	117	98	156.8	784	2 646	+ 577
4	133.0	110.3	108.1	113.6	119	119	99	152.4	..	2 815	+ 933
1981 *O*	111.0	100.8	100.5	102.5	103	102	97	127.6	..	676†	+ 78†
N	110.2	99.6	100.0	100.4	98	101	97	134.2	..	661	+ 63
D	109.2	97.7	97.5	100.7	102	97	93	126.4	..	681	+ 139
1982 *J*	114.5	102.6	102.8	102.4	105	101	103	98.8	..	661	+ 83
F	113.9	101.2	99.9	102.8	104	102	100	124.2	..	694	+ 75
M	114.9	101.6	100.6	104.4	105	102	99	131.1	..	748	+ 119
A	114.5	101.0	100.8	102.3	104	100	100	128.1	..	724	+ 137
M	115.6	101.5	101.1	102.1	104	102	99	122.3	..	715	+ 113
J	115.3	101.4	101.5	102.4	106	102	98	124.7	..	728	+ 87
J	115.6	101.4	101.0	103.0	105	104	97	131.5	..	716	+ 98
A	118.9	104.1	101.7	108.9	107	109	98	147.6	..	819	+ 237
S	118.2	103.0	102.3	104.8	107	107	97	136.8	..	827	+ 199
O	119.2	103.4	102.1	105.6	107	108	97	150.8	..	797	+ 152
N	120.2	103.8	102.5	106.5	108	108	97	142.9	..	835	+ 206
D	121.8	104.5	102.7	108.4	109	110	97	145.6	..	845	+ 125
1983 *J*	121.6	105.2	103.4	108.2	108	112	98	144.8	..	860	+ 233
F	122.7	105.1	104.0	106.1	110	113	96	146.1	..	812	+ 217
M	123.9	106.0	104.8	107.5	112	112	98	140.6	..	848	+ 220
A	125.4	107.1	105.2	108.5	114	117	97	143.8	..	807	+ 136
M	126.0	107.4	105.1	109.5	115	117	98	147.4	..	865	+ 205
J	126.6	107.4	104.6	110.1	119	115	98	155.9	..	868	+ 250
J	126.9	107.0	106.1	105.7	117	115	98	152.4	..	828	+ 239
A	128.6	107.6	106.3	109.8	108	118	98	174.2	..	926	+ 124
S	131.4	110.0	106.7	115.0	125	117	98	143.9	..	892	+ 214
O	130.7	109.0	107.1	109.9	116	119	100	149.3	..	878	+ 265
N	133.4	110.9	108.5	114.6	119	119	100	150.5	..	959	+ 241
D	134.4	111.0	108.7	115.7	120	119	99	157.3	..	978	+ 427
1984 *J*	129.2	107.7	106.2	109.5	115	116	98	139.5	..	965	+ 245

[1] Monthly averages.

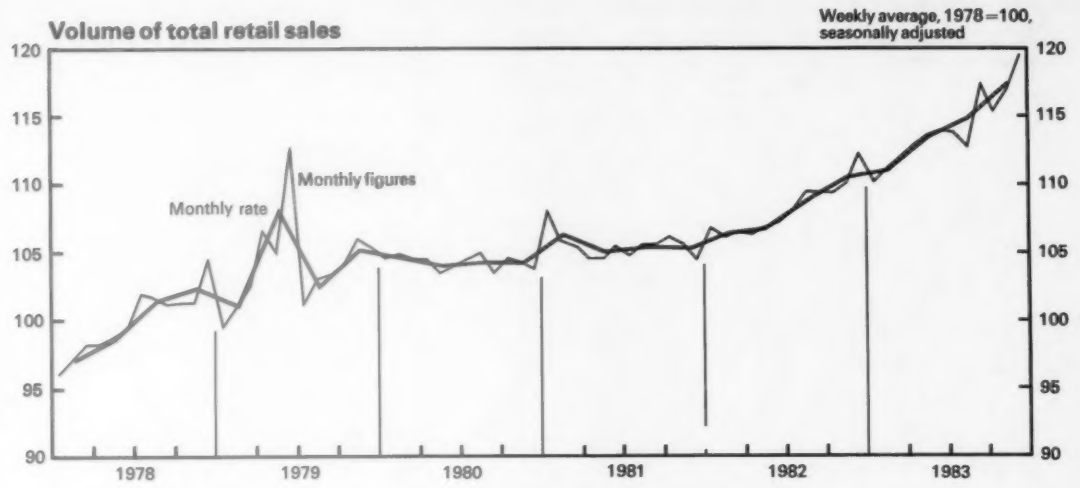
[2] Monthly figures of retail sales are based on four-week periods, except for the months of March, June, September and December which are five-week periods. Because of timing differences January 1980 is exceptionally a five-week period. The quarterly indices are weighted averages of monthly indices for the months within the quarter. The weights are the number of weeks in each monthly period.

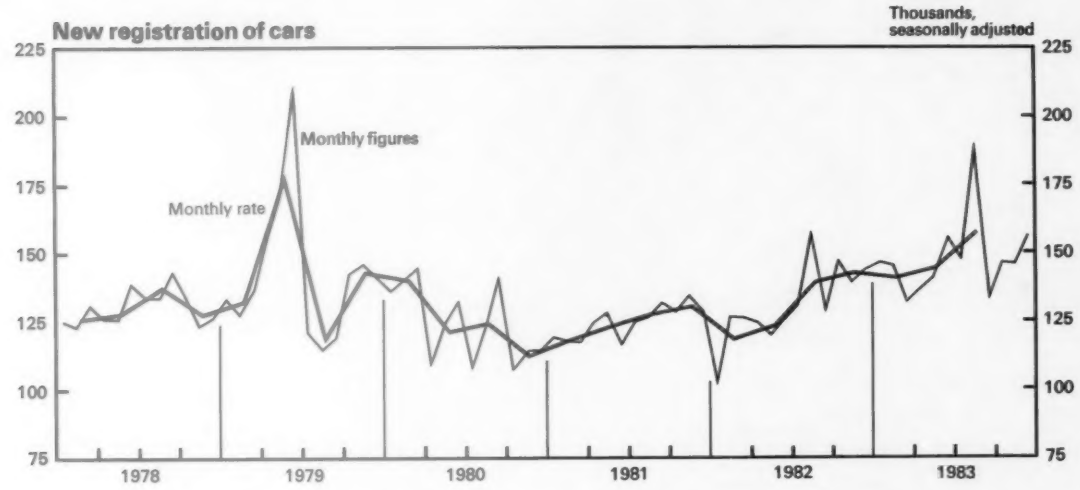
[3] These indices are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.

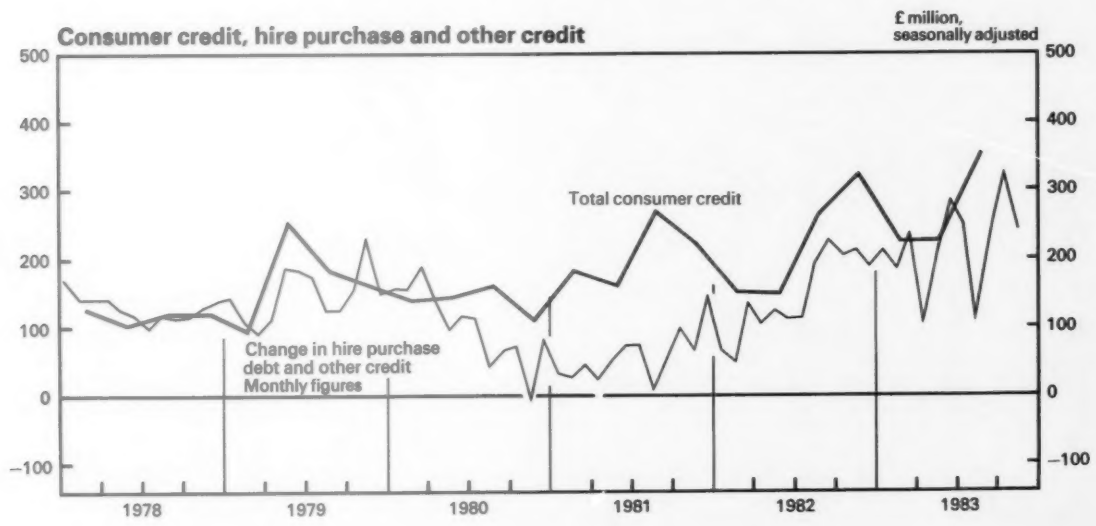
[4] Credit extended by and repaid to finance houses, other specialist consumer credit grantors and retailers, i.e. clothing retailers, household goods retailers, mixed retail businesses (other than co-operative societies) and general mail order houses. Most consumer credit extended by UK banks and credit extended by insurance companies is outside the scope of these series, but some lending to companies is included, (see pages 108–109 of *Economic Trends* No. 311, September 1979). There is a break in the series between 1977 and 1978 due to a change in coverage. For details see *Trade and Industry*, 12 April 1979.

[5] Following the change in taxation policy for goods vehicles, effective from 1 October 1982, the previous 'private car and van' series has been substituted by an analysis of cars in all taxation classes. Although there are slight differences in the monthly counts between the two series this will not significantly effect movements in the estimates of the underlying trend. The timing of the cyclical turning points has not been affected by the substitution.

[6] Including further interest payments due over the whole period of the loans.


Volume of total retail sales
Weekly average, 1978=100, seasonally adjusted
Monthly figures
Monthly rate
120
115
110
105
100
95
90
1978
1979
1980
1981
1982
1983


New registration of cars
Thousands, seasonally adjusted
Monthly figures
Monthly rate
225
200
175
150
125
100
75
1978
1979
1980
1981
1982
1983


Consumer credit, hire purchase and other credit
£ million, seasonally adjusted
Total consumer credit
Change in hire purchase debt and other credit
Monthly figures
500
400
300
200
100
0
–100
1978
1979
1980
1981
1982
1983

Gross domestic product and shares of income and expenditure

Seasonally adjusted

	£ million			Per cent										
	Gross domestic product at current factor cost			Percentage share of total final expenditure						Percentage share of gross domestic product (income based)				
						Gross fixed investment					Gross trading profits			
	Expenditure based	Income based	Total final expenditure (current market prices)	Consumers' expenditure	General government consumption	General government	Public corporation	Private sector	Exports	Income from employment	Companies[1]	Other[1,2]	Income from self-employment[1]	Other income[3]
1975	94 976	94 332	134 427	48.6	17.1	3.7	2.9	8.6	20.2	72.5	8.1	2.9	8.8	7.7
1976	112 631	109 910	162 506	46.6	16.5	3.3	2.9	8.4	21.8	70.8	8.7	3.8	8.9	7.8
1977	128 072	127 681	187 370	46.3	15.6	2.6	2.6	8.7	23.3	67.5	12.6	3.8	8.6	7.5
1978	147 207	146 962	212 013	47.0	15.6	2.2	2.3	9.6	22.5	67.0	13.6	3.5	8.5	7.4
1979	169 165†	170 194†	249 015†	47.6	15.4	2.1	2.3	9.7	22.2	67.4	13.4	3.0	8.5	7.7
1980	196 642	198 452	284 925	48.2	17.0	1.9	2.3	9.5	22.2	68.5	12.6	2.9	8.2	7.8
1981	215 328	215 523	311 559	49.1	17.6†	1.5	2.2	8.8	21.8	68.1†	12.2	3.3†	8.2	8.2†
1982	234 022	234 783	342 626	49.1	17.5	1.3	2.1	8.9†	21.4	66.5	13.1†	3.7	8.4	8.3
1983	256 884	257 004	376 416	49.0†	17.5	1.4†	2.2†	8.6	21.2†	65.0	15.1	3.7	8.2†	8.0
1980 *1*	46 510†	47 682†	69 309†	47.9	16.0	1.9	2.3	9.7	23.0	67.5	13.8	3.0	15.7	
2	48 423	49 488	71 094	47.7	16.3†	1.9	2.4	9.5	22.3	68.0†	13.6	2.6	15.8†	
3	50 107	49 945	71 468	48.6	17.6	2.0	2.4	9.5	21.8	69.5	11.3	2.9	16.3	
4	51 602	51 337	73 054	48.6	17.9	2.0	2.3	9.4	21.6	68.8	11.7	3.2	16.3	
1981 *1*	52 960	51 644	74 270	49.4	17.7	1.8	2.3	9.0	21.4	69.1	11.3†	3.1	16.5	
2	53 210	52 613	76 116	49.8†	17.7	1.6	2.3	8.7†	21.6†	68.8	11.4	3.4†	16.4	
3	53 910	54 680	79 577	48.7	17.5	1.3	2.1	8.8	22.0	67.7	12.4	3.5	16.4	
4	55 248	56 586	81 596	48.7	17.3	1.3	2.1	8.7	22.1	66.9	13.6	3.3	16.2	
1982 *1*	56 003	56 448	82 977	48.6	17.5	1.5	2.2	9.0	21.6	68.2	11.3	3.9	16.6	
2	58 207	58 522	85 455	48.7	17.4	1.2†	2.1	8.8	21.5	66.5	13.5	3.5	16.5	
3	58 684	59 195	85 728	49.6	17.5	1.4	2.1	9.1	21.0	66.1	13.4	3.8	16.7	
4	61 128	60 618	88 466	49.6	17.5	1.3	2.1	8.8	21.4	65.5	14.3	3.6	16.6	
1983 *1*	63 438	62 586	92 417	48.2	17.7	1.6	2.2	8.5	21.1	65.3	14.6	3.8	16.3	
2	62 816	63 437	92 444	49.4	17.4	1.2	2.1	8.7	21.2	65.2	14.4	4.0	16.4	
3	64 408	64 680	94 178	49.6	17.5	1.4	2.2†	8.5	20.8	64.8	15.4	3.4	16.4	
4	66 222	66 301	97 377	48.8	17.2	1.4	2.1	8.6	21.6	64.6	15.7	3.5	16.2	

[1] After providing for stock appreciation.
[2] Gross trading surplus of public corporations and general government enterprises.
[3] Rent income, and imputed charge for consumption of non-trading capital.

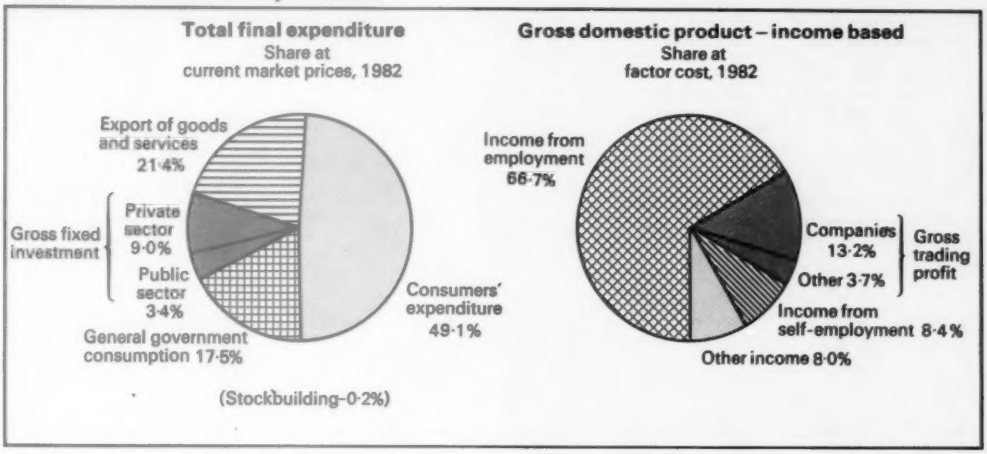
Income, product and spending *per capita*

Seasonally adjusted

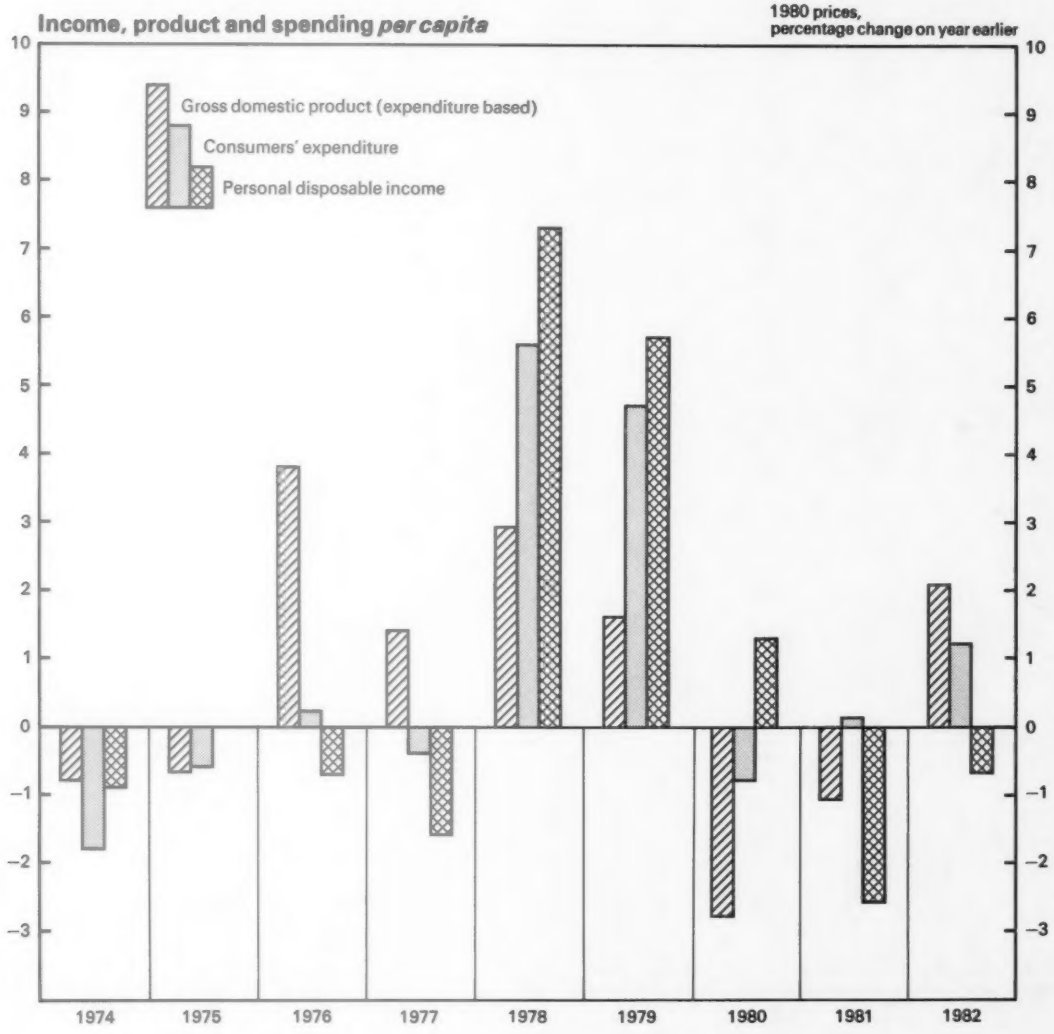
	£, current prices				£, 1980 prices		
	Gross national product[1]	Gross domestic product[1,2]	Consumers' expenditure	Personal disposable income	Gross domestic product[1,2]	Consumers' expenditure	Personal disposable income
1975	1 710	1 697	1 167	1 334	3 266	2 230	2 548
1976	2 037	2 013	1 354	1 534	3 391	2 236	2 531
1977	2 292	2 290	1 551	1 733	3 440	2 229	2 491
1978	2 645	2 633	1 782	2 J27	3 542	2 352	2 676
1979	3 043†	3 024†	2 116	2 430	3 601†	2 467	2 830
1980	3 510	3 511	2 452	2 870	3 511	2 452	2 870
1981	3 868	3 844	2 733†	3 112	3 485	2 456	2 801
1982	4 199	4 174	3 003	3 358	3 555	2 486†	2 791
1983	4 586	4 577	3 287	–	3 675	2 580	–
1980 *1*	830†	831	593	682	889	624	716
2	862	866	605	705	879	609	711
3	895	895†	620	734	872†	609	722
4	923	921	634	748	871	610	720
1981 *1*	952	947	656†	760	882	616	714
2	958	950	677	765	865	614	695
3	968	962	691	782	861	612	693
4	991	985	709	805	877	613†	698
1982 *1*	1 001	1 001	721	824	886	612	702
2	1 046	1 039	743	836	887	618	697
3	1 053	1 046	759	840	880	623	692
4	1 099	1 088	781	858	902	633	699
1983 *1*	1 139	1 133	796	876	929	634	703
2	1 117	1 120	814	884	908	644	703
3	1 152	1 147	832	902	910	650	708
4	1 178	1 177	844	–	929	652	–

[1] At factor cost.
[2] Based on expenditure data.

Shares of income and expenditure



Income, product and spending *per capita*



Gross domestic fixed capital formation by sector and by type of asset

Seasonally adjusted

£ million, 1980 prices[1]

		Sector[2]			Type of asset					
					Dwellings					
						of which:		Other new building and works[3]	Vehicles, ships and aircraft	Plant and machinery
		Total§	Private sector	General government	Public corporations	Total	Private	Public			
1973		41 798	24 437	10 940	6 203	8 058	4 994	3 088	16 329	5 107	12 476
1974		40 639	23 152	10 232	7 061	7 425	4 086	3 304	15 602	4 897	12 819
1975		40 297	22 965	9 411	7 764	8 052	4 449	3 567	15 763	4 293	12 276
1976		40 856	23 594	9 118	8 007	8 276	4 445	3 779	15 777	4 152	12 692
1977		39 851	24 887	7 575	7 328	7 577	4 139	3 398	14 797	4 687	12 833
1978		41 210	27 620	6 715	6 875	7 734	4 590	3 144	14 580	5 126	13 770
1979		41 411	28 225	6 421	6 765	7 134	4 258	2 876	14 141	5 283	14 853
1980		39 241	27 062	5 528	6 651	6 342	3 820	2 522	13 495	4 494	14 910
1981		35 661	25 294†	4 104†	6 249	4 828	3 154	1 674	12 992	3 592	14 216
1982		37 884	27 525	3 992	6 367†	5 286	3 346	1 940	14 515†	3 705	14 378
1983		39 663	27 932	4 827	6 904	6 063	4 078	1 985	14 819	3 818	14 963
1978	*3*	10 247	6 864	1 661	1 722	1 925	1 101	824	3 583	1 281	3 458
	4	10 028	6 748	1 576	1 704	1 861	1 144	717	3 583	1 138	3 446
1979	*1*	10 127	6 859	1 566	1 702	1 701	997	704	3 506	1 334	3 586
	2	10 330	7 087	1 577	1 666	1 773	1 069	704	3 479	1 435	3 643
	3	10 455	7 046	1 694	1 715	1 746	1 001	745	3 624	1 361	3 724
	4	10 499	7 233	1 584	1 682	1 914	1 191	723	3 532	1 153	3 900
1980	*1*	10 238	7 082	1 465	1 691	1 763	1 046	717	3 449	1 237	3 789
	2	9 989	6 828	1 415	1 746	1 632	985	647	3 373	1 213	3 771
	3	9 645	6 616	1 359	1 670	1 568	955	613	3 297	1 002	3 778
	4	9 369	6 536	1 289	1 544	1 379	834	545	3 376	1 042	3 572
1981	*1*	8 996†	6 210	1 193†	1 593†	1 280	832	448	3 254†	905	3 557
	2	8 818	6 106†	1 101	1 611	1 192	759	433	3 141	940	3 545
	3	8 846	6 429	897	1 520	1 184	780	404	3 269	826	3 567
	4	9 001	6 549	913	1 539	1 172	783	389	3 361	921	3 547
1982	*1*	9 425	6 864	950	1 611	1 300	815	485	3 573	1 026	3 526
	2	9 216	6 709	948	1 559	1 280	819	461	3 451	837	3 648
	3	9 600	6 981	1 040	1 579	1 306	816	490	3 759	956	3 579
	4	9 643	6 971	1 054	1 618	1 400	896	504	3 732	886	3 625
1983	*1*	10 031	6 991	1 264	1 776	1 471	956	515	3 819	928†	3 813†
	2	9 694	6 934	1 051	1 709	1 481	1 039	442	3 615	930	3 668
	3	9 833	6 896	1 222	1 715	1 503	1 007	496	3 715	952	3 663
	4	10 105	7 111	1 290	1 704	1 608	1 076	532	3 670	1 008	3 819
		Percentage change, quarter on corresponding quarter of previous year									
1979	*1*	*– 2.4*	*– 0.6*	*– 12.4*	*0.5*	*– 16.7*	*– 17.4*	*– 15.7*	*– 2.2*	*– 2.4*	*6.0*
	2	*– 2.1*	*– 0.3*	*– 6.7*	*– 5.1*	*– 7.0*	*– 6.0*	*– 8.3*	*– 9.1*	*7.1*	*4.6*
	3	*2.0*	*2.7*	*2.0*	*– 0.4*	*– 9.3*	*– 9.1*	*– 9.6*	*1.1*	*6.2*	*7.7*
	4	*4.7*	*7.2*	*0.5*	*– 1.3*	*2.9*	*4.1*	*0.8*	*– 1.4*	*1.3*	*13.2*
1980	*1*	*1.1*	*3.3*	*– 6.4*	*– 0.7*	*3.7*	*4.9*	*1.8*	*– 1.6*	*– 7.2*	*5.7*
	2	*– 3.3*	*– 3.7*	*– 10.3*	*4.8*	*– 8.0*	*– 7.8*	*– 8.1*	*– 3.1*	*– 15.5*	*3.5*
	3	*– 7.7*	*– 6.1*	*– 19.8*	*– 2.6*	*– 10.2*	*– 4.6*	*– 17.7*	*– 9.0*	*– 26.4*	*1.4*
	4	*– 10.8*	*– 9.6*	*– 18.6*	*– 8.2*	*– 28.0*	*– 30.0*	*– 24.6*	*– 4.4*	*– 9.6*	*– 8.4*
1981	*1*	*– 12.1*	*– 12.3*	*– 18.5*	*– 5.8*	*– 27.4*	*– 20.5*	*– 37.5*	*– 5.7*	*– 26.8*	*– 6.1*
	2	*– 11.7*	*– 10.6*	*– 22.2*	*– 7.7*	*– 27.0*	*– 22.9*	*– 33.1*	*– 6.9*	*– 22.5*	*– 6.0*
	3	*– 8.3*	*– 2.8*	*– 34.0*	*– 9.0*	*– 24.5*	*– 18.3*	*– 34.1*	*– 0.8*	*– 17.6*	*– 5.6*
	4	*– 4.0*	*0.2*	*– 29.2*	*– 0.3*	*– 15.0*	*– 6.1*	*– 28.6*	*– 0.4*	*– 11.6*	*– 0.7*
1982	*1*	*4.8*	*10.5*	*– 20.4*	*1.1*	*1.6*	*– 2.0*	*8.3*	*9.8*	*13.4*	*– 0.9*
	2	*4.5*	*9.9*	*– 13.9*	*– 3.2*	*7.4*	*7.9*	*6.5*	*9.9*	*– 11.0*	*2.9*
	3	*8.5*	*8.6*	*16.0*	*3.9*	*10.3*	*4.6*	*21.3*	*15.0*	*15.8*	*0.4*
	4	*7.1*	*6.4*	*15.4*	*5.1*	*19.4*	*14.4*	*29.5*	*11.0*	*– 3.8*	*2.2*
1983	*1*	*6.4*	*1.9*	*33.1*	*10.2*	*13.2*	*17.3*	*6.2*	*6.9*	*– 9.6*	*8.1*
	2	*5.2*	*– 3.4*	*10.9*	*9.6*	*15.7*	*26.9*	*– 4.1*	*4.8*	*11.1*	*0.5*
	3	*2.4*	*– 1.2*	*17.5*	*8.6*	*15.1*	*23.4*	*1.2*	*– 1.2*	*– 0.4*	*2.3*
	4	*4.8*	*2.0*	*22.4*	*5.3*	*14.9*	*20.1*	*5.6*	*– 1.7*	*13.8*	*5.4*

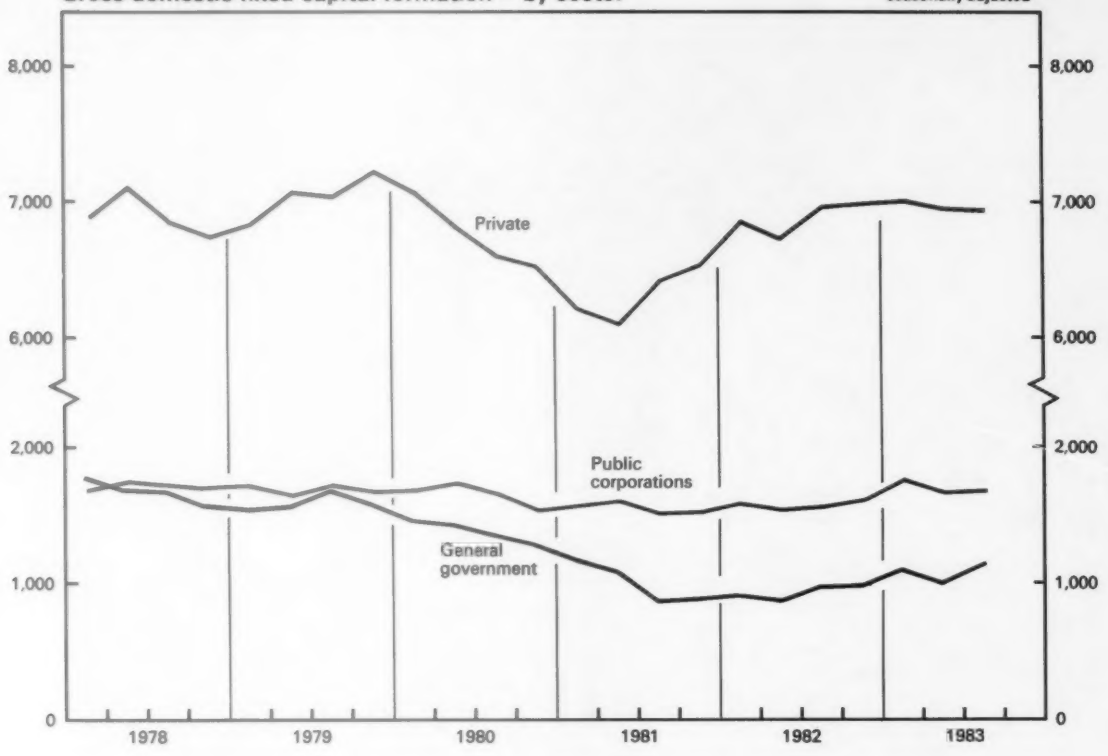
[1] For the years before 1978, totals may not equal the sum of their components, because of the method used in rebasing to 1980 prices.

[2] Including purchases *less* sales of land and existing buildings.

[3] Including transfer costs of land and buildings.

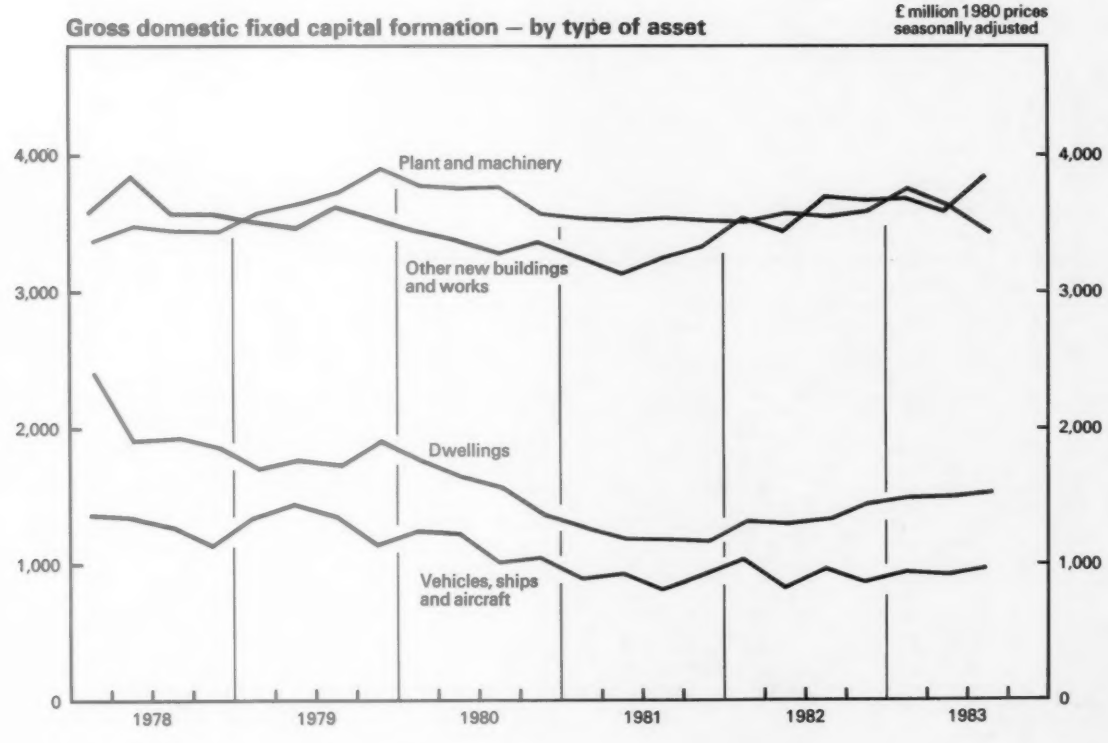
Gross domestic fixed capital formation – by sector

£ million 1980 prices
seasonally adjusted



Gross domestic fixed capital formation – by type of asset

£ million 1980 prices
seasonally adjusted



Indicators of fixed investment by manufacturing industry (revised definition)

	Gross fixed investment by manufacturing industry (excluding leased assets)							New orders received by contractors for private industrial work (GB)
		Plant and machinery			New building and works			
	Total§	Gross fixed investment		CBI Intentions Inquiry	Gross fixed investment		CBI Intentions Inquiry	
	£ million, 1980 prices, seasonally adjusted	£ million, 1980 prices, seasonally adjusted	*Percentage change on year earlier*	Balance[1]	£ million, 1980 prices, seasonally adjusted	*Percentage change on year earlier*	Balance[1]	£ million, 1980 prices, seasonally adjusted
1974	7 397	5 362	*+ 13*	..	1 388	*– 1*	..	2 416
1975	6 781	5 031	*– 6*	..	1 281	*– 8*	..	1 536
1976	6 437	4 853	*– 4*	..	1 036	*– 19*	..	1 790
1977	6 757	4 974	*+ 2*	..	1 135	*+ 10*	..	2 144
1978	7 203	5 302	*+ 7*	..	1 276	*+ 12*	..	2 241
1979	7 468	5 528	*+ 4*	..	1 304	*+ 2*	..	2 241
1980	6 444	4 926	*– 1*	..	1 051	*– 19*	..	1 803
1981	4 864	3 721	*– 24*	..	762	*– 27*	..	1 611
1982	4 457	3 344	*– 10*	..	687	*– 10*	..	1 367
1983[2]	4 306	3 312			587			1 588
1979 *1*	1 887	1 377	*+ 5*	12	350	*+ 14*	– 7	525
2	1 853	1 369	*+ 1*	12	320	*+ 2*	– 6	576
3	1 861	1 375	*+ 5*	8	331	*+ 3*	– 9	553
4	1 868	1 407	*+ 6*	– 9	302	*– 10*	–20	586
1980 *1*	1 745	1 343	*– 2*	–18	259	*–26*	–30	471
2	1 690	1 284	*– 6*	–18	284	*– 11*	–31	490
3	1 593	1 219	*– 11*	–43	265	*– 20*	–47	423
4	1 417	1 080	*–23*	–46	243	*– 19*	–49	420
1981 *1*	1 313	996	*–26*	–38	229	*– 12*	–46	346
2	1 222	937	*–27*	–30	193	*–32*	–40	379
3	1 171	914	*–25*	–23	163	*–38*	–35	483
4	1 159	872	*– 19*	– 13	177	*–27*	–33	403
1982 *1*	1 143	850	*– 15*	– 5	188	*– 18*	–25	367
2	1 106	831	*– 11*	– 2	166	*– 14*	–25	328
3	1 093	819	*– 10*	– 11	167	*– 2*	–26	358
4	1 115	844	*– 3*	–20	166	*– 6*	–33	314
1983 *1*	1 041	801	*– 6*	– 5	143	*–24*	–26	436
2	1 082	837	*+ 1*	6	142	*– 14*	– 15	371
3	1 070	814	*– 1*	18	153	*– 8*	– 5	444
4[2]	1 114	860	*+ 2*		149	*– 10*		338

[1] Percentage of firms expecting to authorise more in next 12 months *less* percentage expecting to authorise less.
[2] Provisional.

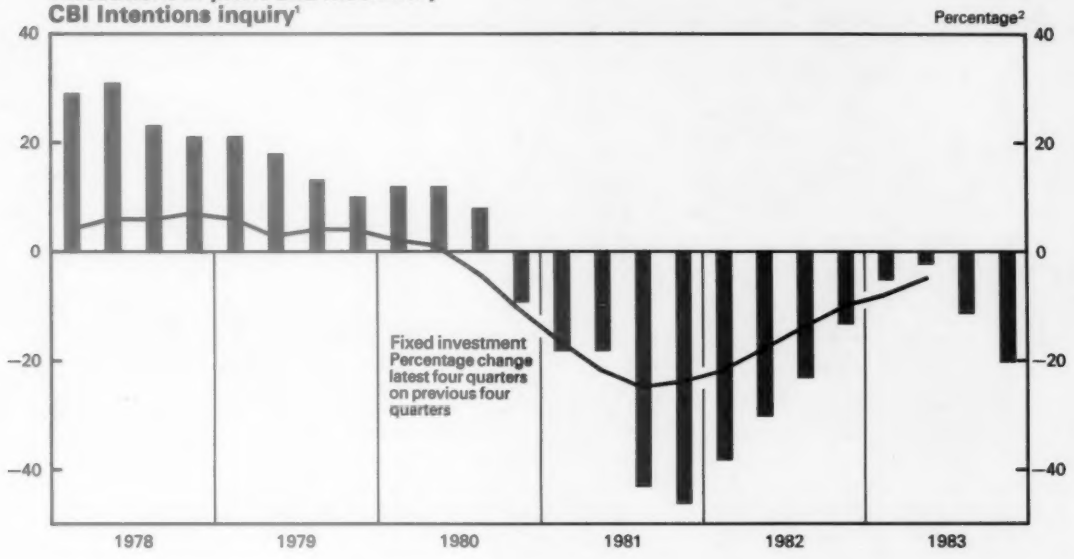
Department of Trade and Industry inquiry into investment intentions[2]: manufacturing industry[1,2]

	Percentage change over previous year, in volume terms				
	Gross fixed investment (excluding leased assets)				
	First December Forecast	First June Forecast	Second December Forecast	Second June Forecast	Actual
1973	Might be a rise	No specific comment	+2 to +5	About +5	+ 2
1974	Strong increase	Strong increase	some +12 to +14	About +5	+10
1975	Little change	Little change	–7 to –10	Of order of –15	– 7
1976	Further reduction	Little change	–5 to –8	–6 (5 to 8)	– 6
1977	Large increase	Of order of +15	+10 to +15	+6 to +10	+ 5
1978	Strong increase	+20 or more	+10 to +13	+10 to +13	+ 8
1979	Rise, less than +8	Rise, less than +8	+4 to +8	+2 to +5	+ 5
1980	Slight fall	Slight fall	–6 to –10	–8 to –12	– 9
1981	Further fall	Fall of up to 8 to 12	–15 to –20	–15 to –18	–18
1982	Some recovery	Some recovery	–1 to –3	–3 to –5	–10
1983	Appreciable increase	Rise, around 5	Fall, up to 5	Fall, around 4	
1984	No recovery	Slow growth			

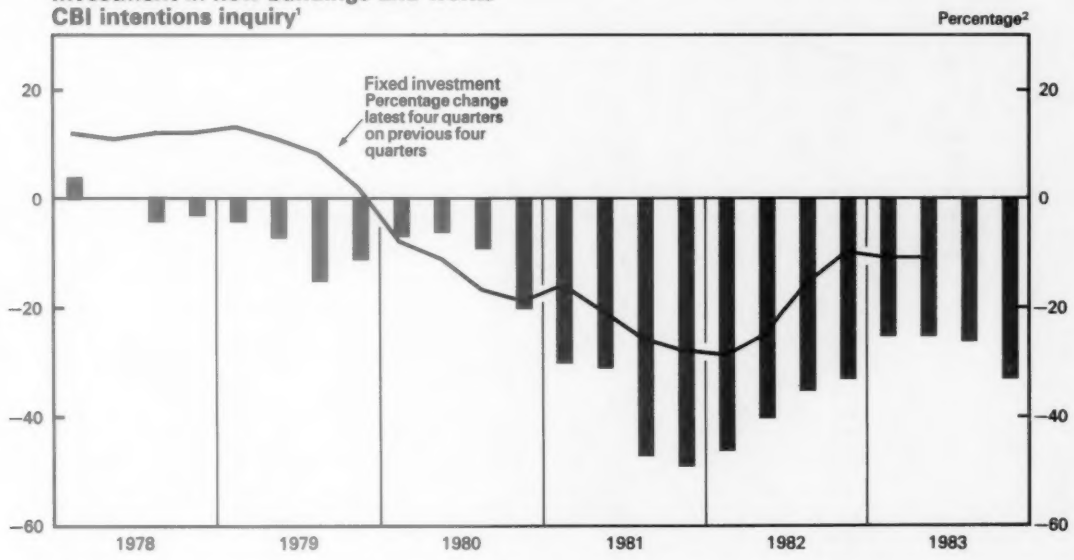
[1] The figures in this table relate to manufacturing industry classified according to the Standard Industrial Classification (1968).

[2] An article, "Investment intentions survey: 1972 to 1982", published in *British business* on 16 September 1983 expands on the table and also includes a similar table for the distributive and service industries.

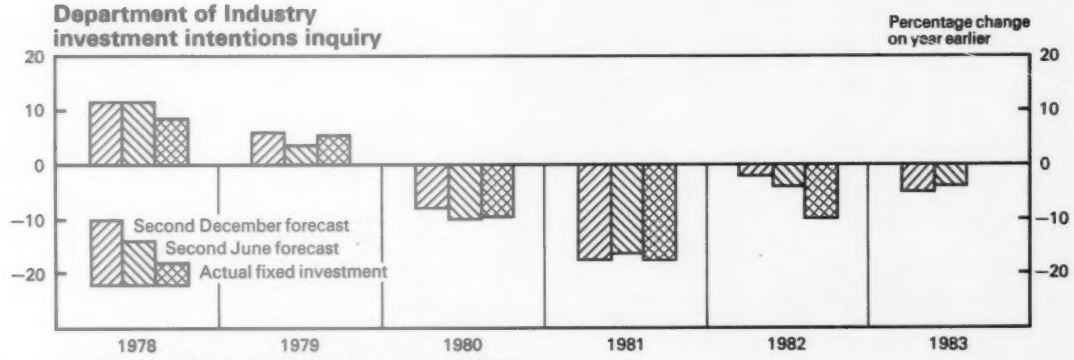
Investment in plant and machinery
CBI Intentions inquiry[1]



Investment in new buildings and works
CBI intentions inquiry[1]



Department of Industry
investment intentions inquiry



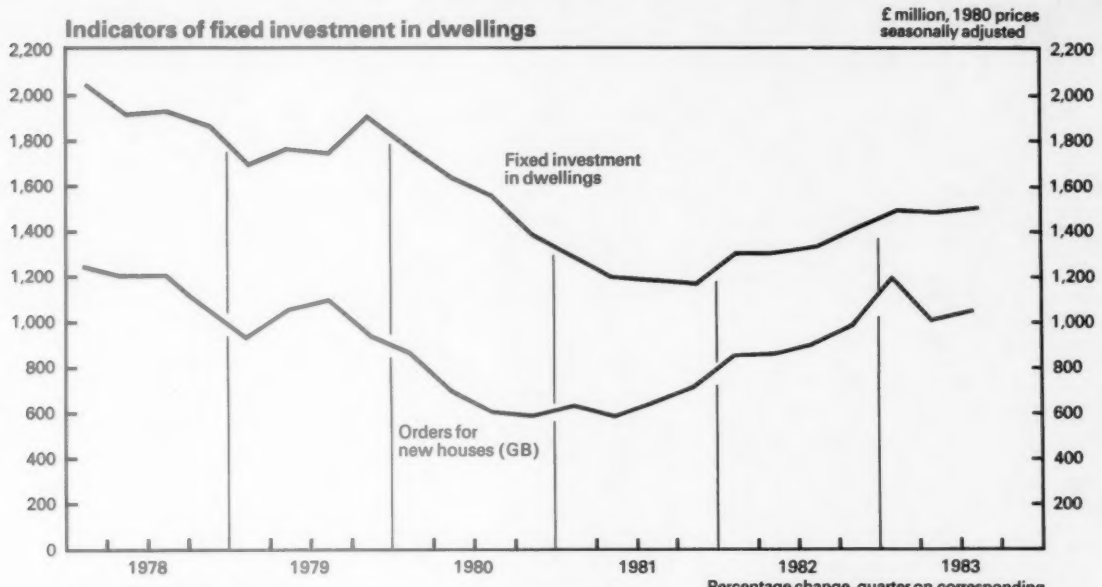
[1]The results of the CBI intentions inquiry have been moved forward one year for direct comparison with the percentage changes in fixed investment

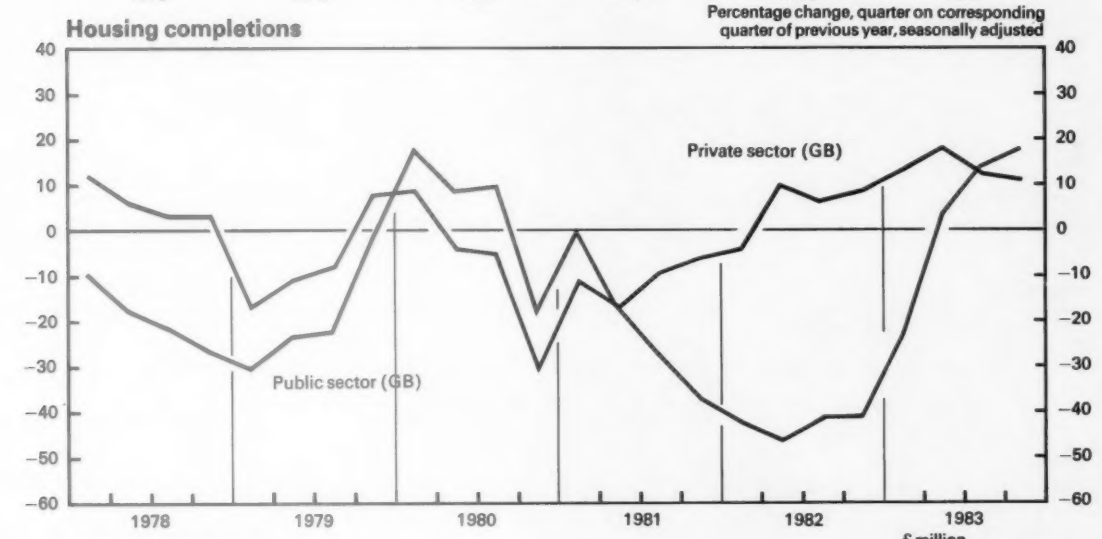
[2]Percentage of firms expecting to authorise more in next 12 months *less* percentage expecting to authorise less

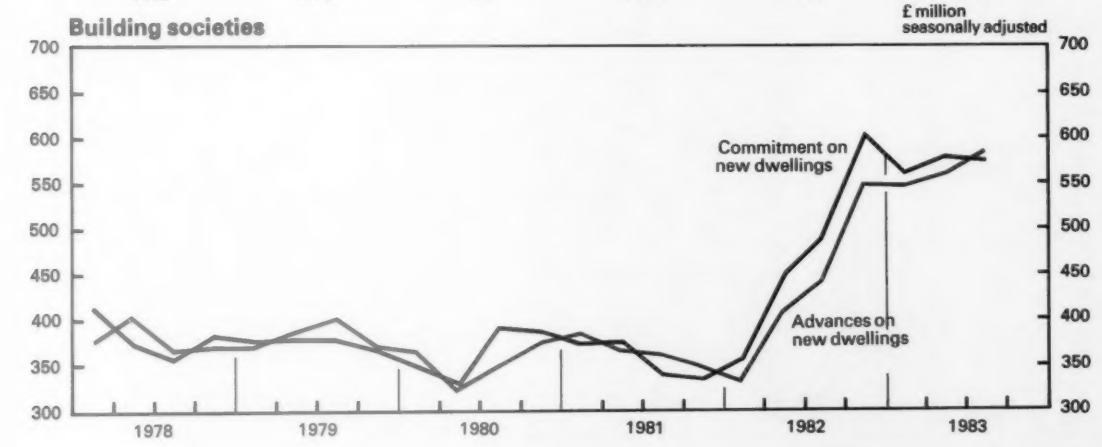
Indicators of fixed investment in dwellings

	Seasonally adjusted								Unadjusted
	£ million, 1980 prices		Thousands				£ million		1980 = 100
			Housing starts (GB) §		Housing completions (GB) §		Building Societies Association		
	Fixed investment in dwellings	Orders received by contractors for new houses (GB)	Private sector	Public sector	Private sector	Public sector	Commitments on new dwellings	Advances on new dwellings	Average price of new dwellings: mortgages approved[1]
1974	7 425	4 482	105.9	146.1	140.9	128.6	704	700	41.6
1975	8 052	5 352	149.1	173.8	150.8	162.3	994	945	45.5[2]
1976	8 276	5 479	154.7	170.8	152.2	163.0	1 119	1 125	49.3
1977	7 577	4 501	134.8	132.1	140.8	162.5	1 260	1 175	54.2
1978	7 734	4 733	157.3	107.4	149.0	130.7	1 523	1 504	64.9
1979	7 134	4 001	144.0	81.2	140.4	104.0	1 498	1 519	83.4
1980	6 342	2 702	98.1	56.4	126.9	106.9	1 444	1 406	100.0
1981	4 828	2 559	115.1	37.0	112.8	84.5	1 427	1 456	102.4[3]
1982	5 286	3 548	140.1	52.3	121.1	49.4	1 931	1 716	104.1
1983	6 063	4 216[4]	167.5[4]	47.0[4]	139.3†	49.9†	2 420	2 342	115.7
1978 *4*	1 861	1 097	43.9	24.2	37.3	31.4	369†	362†	71.8
1979 *1*	1 701	924	28.0	18.2	31.2	23.2	378	375	75.7
2	1 773	1 043	35.5	20.9	33.8	25.3	380	379	81.2
3	1 746	1 088	38.1	19.9	32.9	24.8	389	400	86.8
4	1 914	945	42.4	22.2	42.5	30.7	351	365	91.9
1980 *1*	1 763	850	28.2	18.1	34.1	27.2	343	367	96.1
2	1 632	683	26.1	14.4	32.3	27.3	341	331	99.9
3	1 568	596	21.3	13.6	31.2	27.1	385	342	101.7
4	1 379	574	22.5	10.3	29.3	25.3	375	366	102.5
1981 *1*	1 280	621	30.7	8.8	30.3	27.0	380	387	104.2[3]
2	1 192	595	28.4	8.3	26.7	22.4	380	371	104.6
3	1 184	644	29.7	9.0	28.4	19.5	345	359	102.3
4	1 172	699	26.3	10.9	27.4	15.6	322	339	97.9
1982 *1*	1 300	836	36.2	14.5	29.1	15.3	368	332	99.1
2	1 280	840	33.7	12.5	29.5	11.9	488	410	103.7
3	1 306	894	35.0	11.6	30.1	11.4	483	426	104.5
4	1 400	978	35.2	13.7	32.4	10.8	592	548	108.2
1983 *1*	1 471	1 188	46.0	16.5	33.0	11.7†	577	547	111.7
2	1 481	1 003	40.9†	11.2†	35.2	12.3	587	567	116.3
3	1 503	1 040	39.4	8.7	33.8	13.2	590	581	117.6
4	1 608	984[4]	41.2[4]	10.6[4]	37.3[4]	12.7[4]	666	647	117.2
1981 *D*	..	215	7.6	3.3	8.9	4.3	105†	111†	97.6
1982 *J*	..	244	10.6	4.7	9.6	5.1	90	96	98.5
F	..	284	12.7	5.3	9.7	5.2	126	111	97.6
M	..	308	12.9	4.5	9.8	5.0	152	125	100.4
A	..	296	11.7	4.3	9.2	4.2	181	131	102.1
M	..	266	11.9	4.5	10.6	4.5	154	134	103.9
J	..	278	10.1	3.7	9.7	3.2	153	145	105.2
J	..	272	11.6	3.3	10.2	3.6	150	139	104.0
A	..	294	12.2	4.2	9.8	3.9	154	138	104.4
S	..	327	11.2	4.1	10.1	3.9	179	149	104.9
O	..	292	11.5	4.2	10.7	3.8	187	172	108.2
N	..	347	11.6	4.5	10.7	3.4	194	176	108.1
D	..	339	12.1	5.0	11.0	3.6	211	200	108.1
1983 *J*	..	408	16.1	5.2	11.0	3.9	184	174	110.9
F	..	378	15.0	6.5	10.7	3.9†	200	179	110.5
M	..	402	14.9	4.8	11.3	3.9	193	194	113.2
A	..	380	12.9	4.1†	11.8	4.1	193	184	115.1
M	..	300	13.5	3.7	12.0	4.1	185	186	117.1
J	..	323	14.5	3.4	11.4	4.1	209	197	116.6
J	..	346	13.5	2.6	11.2	4.5	188	191	118.4
A	..	330	13.6	3.1	11.7	4.4	194	195	118.0
S	..	364	12.3	3.0	10.9	4.3	208	195	117.0
O	..	333	14.9	3.7	12.7	4.3	210	195	117.8
N	..	357[4]	13.7[4]	3.5[4]	12.0[4]	4.2[4]	226	207	118.0
D	..	294[4]	12.6[4]	3.4[4]	12.6[4]	4.2[4]	230	245	115.8
1984 *J*	..	325[4]	13.6[4]	3.9[4]	13.4[4]	3.7[4]	215	199	120.3

[1] Mortgages with building societies by private owners. The index covers only dwellings on which building societies have approved mortgages during the period. The cost of land is included.
[2] From 1975 figures are based on a new monthly return covering 90 per cent of building society mortgages.
[3] Figures are based on a new return introduced in January 1981.
[4] Provisional.


Indicators of fixed investment in dwellings
£ million, 1980 prices
seasonally adjusted
2,200
2,000
1,800
1,600
1,400
1,200
1,000
800
600
400
200
0
Fixed investment
in dwellings
Orders for
new houses (GB)
1978
1979
1980
1981
1982
1983


Housing completions
Percentage change, quarter on corresponding
quarter of previous year, seasonally adjusted
40
30
20
10
0
−10
−20
−30
−40
−50
−60
Private sector (GB)
Public sector (GB)
1978
1979
1980
1981
1982
1983


Building societies
£ million
seasonally adjusted
700
650
600
550
500
450
400
350
300
Commitment on
new dwellings
Advances on
new dwellings
1978
1979
1980
1981
1982
1983

Stock changes

£ million, 1980 prices, seasonally adjusted

	All industries	Energy and Water Supply	Manufacturing[1] (revised definition) Total	Materials and fuels	Work in progress	Finished goods	Distribution Wholesale[3]	Retail[4]	Other industries
Value of stocks and work in progress end-December 1982[2]	64 840	4 776	31 652	10 105	11 825	9 722	9 573	7 144	11 695
1978 *2*	787	108	99	− 69	10	158	76	257	247
3	440	−126	− 10	17	−103	76	295	173	108
4	480	8	246	105	284	−142	137	98	− 9
1979 *1*	852	−387	45	− 45	− 68	158	376	131	687
2	279	− 90	15	135	1	−121	483	168	−297
3	1 040	151	183	32	0	151	144	336	226
4	319	186	32	−107	−194	333	279	− 88	− 90
1980 *1*	− 501	− 28	− 167	−270	− 7	109	−105	−292	91
2	− 135	138	− 248	−180	−234	167	−164	18	121
3	−1 201	− 88	− 636	−387	−192	− 56	−271	− 17	−189
4	−1 399	124	−1 270	−414	−281	−576	66	−127	−192
1981 *1*	−1 010	88	− 762	−342	−135	−285	− 68	136	−404
2	−1 329	−152	− 753	−356	−127	−270	−222	− 20	−182
3	− 182	−177	− 162	−167	91	− 87	130	22	5
4	− 134	−238	219	− 57	126	151	− 51	9	− 73
1982 *1*	56	68	− 36	− 55	− 67	86	−108	74	58
2	229	118	4	18	39	− 53	96	11	0
3	− 620	−121	− 342	−119	−101	−122	22	9	−188
4	− 695	94	− 634	−336	−164	−134	−248	34	59
1983 *1*	586	147	23	−167	210	− 21	29	36	351
2	− 51	33	− 104	− 86	− 76	58	59	−132	93
3	− 115	37	− 381	−153	4	−232	−233	74	388
4	273	−178	175	113	34	33	12	43	221

[1] Differences between totals and the sum of constituent parts of manufacturing are due to rounding.
[2] Unadjusted 1980 price stock levels.
[3] Classes 61-63 excluding activity heading 6148; wholesale distribution of motor vehicles and parts.
[4] Classes 64-65 excluding activity headings 6510 and 6520; retail distribution of motor vehicles and parts, and filling stations.

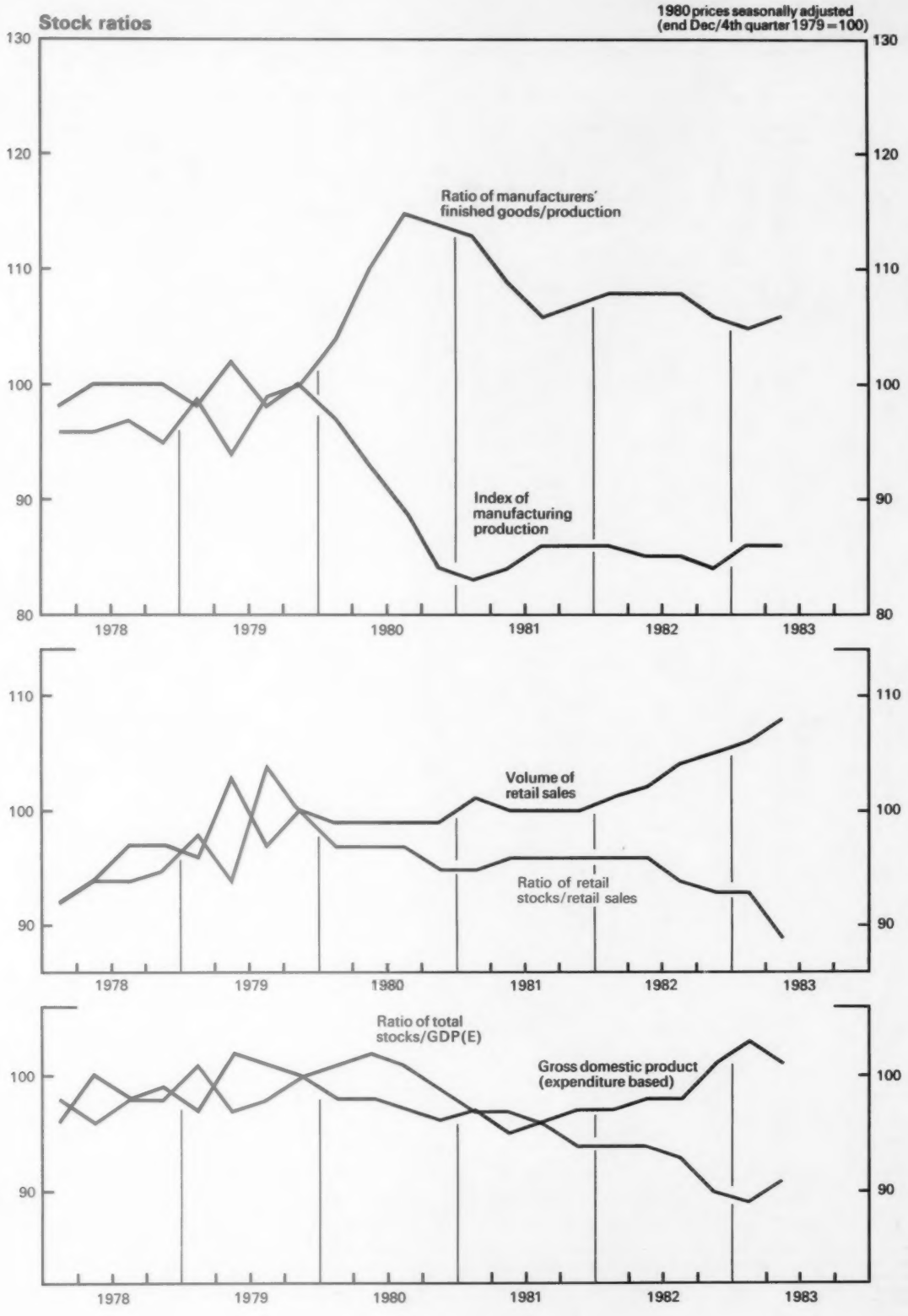
Stock ratios

Seasonally adjusted

1980 prices: stocks level, end-Dec. 1979 = 100; GDP (E), industrial production and retail sales, 4th quarter 1979 = 100

	Total stocks to gross domestic product (expenditure based)	Manufacturers' stocks to manufacturing production (revised definition) Total stocks	Materials and fuel	Work in progress	Finished goods	Retail[1] stocks to retail sales
1978 *2*	96	98	99	100	96	94
3	98	99	99	100	97	94
4	98	99	100	102	95	95
1979 *1*	101	102	102	104	99	98
2	97	98	99	100	94	94
3	98	102	103	103	99	104
4	100	100	100	100	100	100
1980 *1*	101	102	101	103	104	97
2	102	106	104	106	110	97
3	101	110	105	109	115	97
4	99	110	106	111	114	96
1981 *1*	96	109	104	111	112	96
2	96	106	101	110	109	97
3	96	104	97	108	106	97
4	94	104	96	109	107	99
1982 *1*	93	104	96	109	108	97
2	93	105	97	110	108	98
3	93	104	96	110	107	96
4	90	103	94	109	107	96
1983 *1*	88	101	91	109	105	95
2	90	101	90	109	106	92
3	90	99	88	107	102	92
4	88	99	88	107	110	90

[1] Classes 64-65 excluding activity headings 6510 and 6520, retail distribution of motor vehicles and parts, and filling stations.

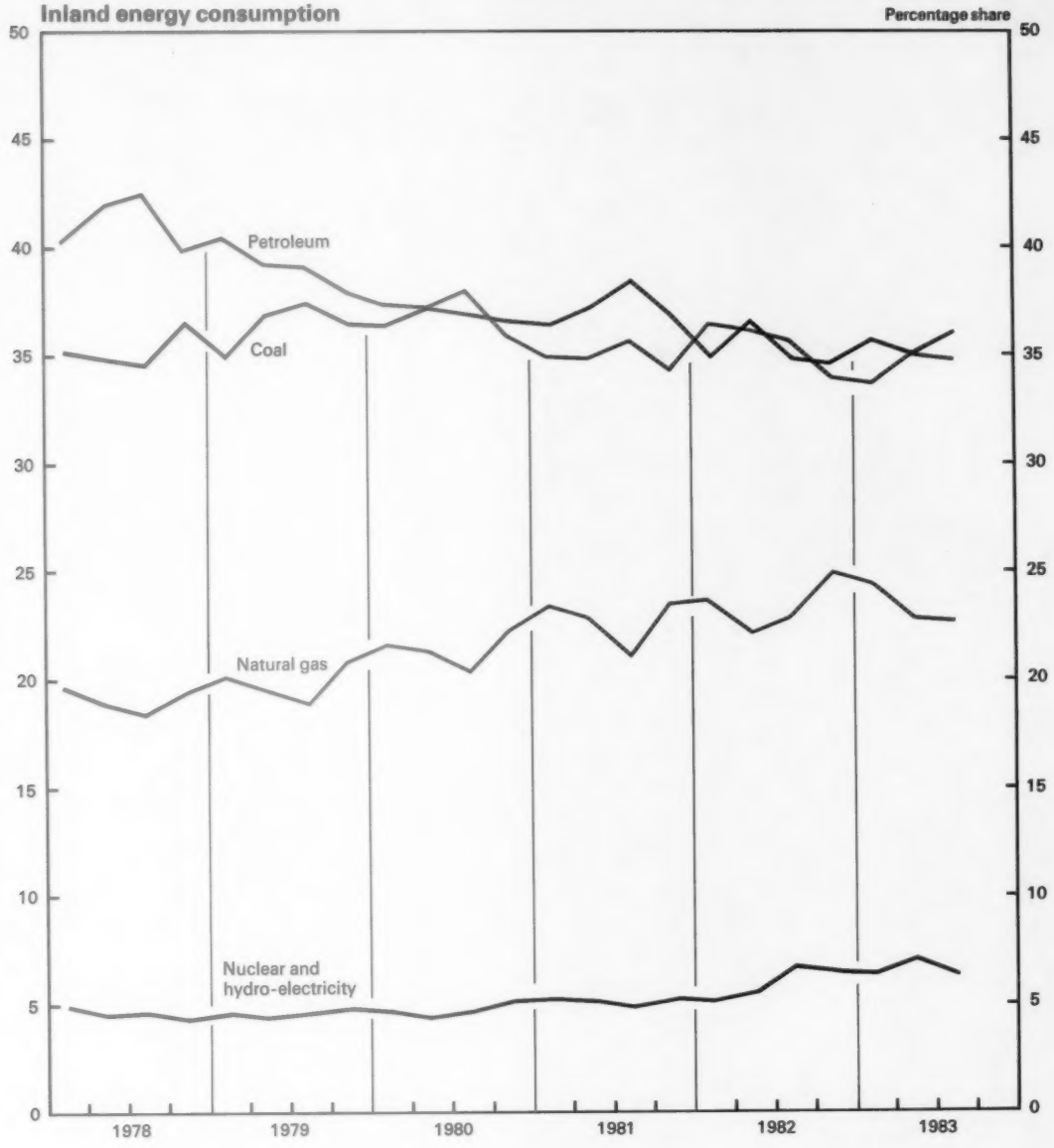

Stock ratios
1980 prices seasonally adjusted
(end Dec/4th quarter 1979 = 100)
Ratio of manufacturers' finished goods/production
Index of manufacturing production
Volume of retail sales
Ratio of retail stocks/retail sales
Ratio of total stocks/GDP(E)
Gross domestic product (expenditure based)
1978
1979
1980
1981
1982
1983

Inland energy consumption

Annual rates, seasonally adjusted and temperature corrected

		Primary fuel input						Public supply
		Million tonnes of coal or coal equivalent						Thousand million kilowatt hours
		Total	Coal[1]	Petroleum[2]	Natural gas[3]	Nuclear electricity[4]	Hydro electricity[4]	Electricity available (GB)[5]
1972		337.4	121.8	162.2	41.0	10.6	1.8	224.1
1973		354.2	133.2	164.5	44.4	10.1	2.0	241.0
1974		337.9	117.7	153.1	52.9	12.1	2.1	235.5
1975		326.9	120.6	137.1	56.3	10.9	2.0	234.2
1976		331.5	123.0	134.2	59.5	12.9	1.9	236.7
1977		338.2	122.4	136.8	62.7	14.3	2.0	240.2
1978		339.1	119.4	139.2	65.0	13.4	2.1	246.3
1979		349.3	127.2	137.0	69.1	13.8	2.2	255.0
1980		327.2	120.1	121.2	70.5	13.4	2.0	245.9
1981		315.3	117.5	110.2	71.6	13.7	2.3	239.2
1982		311.7	109.6	110.8	72.9	16.0	2.4	238.4
1978	*2*	341.2	118.7	142.9	64.2	13.3	2.1	248.1
	3	338.3	117.2	143.6	62.4	13.2	1.9	253.9
	4	343.4	125.2	136.7	66.5	12.5	2.5	245.7
1979	*1*	349.1	121.8	141.0	70.3	14.5	1.5	252.6
	2	355.8	131.3	139.4	69.4	13.3	2.4	257.6
	3	352.1	131.8	137.8	66.6	13.3	2.6	257.7
	4	342.1	124.8	129.8	71.1	14.0	2.4	252.0
1980	*1*	333.9	121.5	124.4	72.4	13.8	1.8	242.5
	2	328.3	122.1	122.0	69.9	12.9	1.4	248.1
	3	323.7	119.3	123.1	66.1	12.5	2.7	249.0
	4	321.2	117.6	115.4	71.7	14.2	2.3	244.1
1981	*1*	317.9	115.9	111.1	74.4	13.5	3.0	235.7
	2	311.7	116.1	108.5	71.1	14.1	1.9	238.9
	3	319.2	123.0	113.5	67.5	13.4	1.8	242.0
	4	312.9	115.6	107.4	73.6	13.8	2.5	240.3
1982	*1*	314.3	109.4	114.4	74.6	13.5	2.4	238.3
	2	305.6	111.4	110.0	67.5	14.2	2.5	235.4
	3	318.5	111.3	113.7	72.6	18.8	2.1	243.5
	4	309.5	107.4	105.0	77.1	17.4	2.6	236.3
1983	*1*	307.9	110.0	103.4	74.9	16.8	2.8	236.4
	2	309.9	108.7	108.5	70.6	19.4	2.7	241.7
	3[6]	322.8	116.4	112.5	73.2	19.0	1.7	248.4
		Percentage change, quarter on corresponding quarter of previous year						
1978	*2*	*+1.0*	*– 2.0*	*+ 3.8*	*+3.6*	*– 8.3*	*–12.5*	*+2.1*
	3	*–0.7*	*– 3.6*	*+ 4.0*	*–1.6*	*–15.9*	*+11.8*	*+2.3*
	4	*+1.7*	*+ 4.0*	*– 0.4*	*+3.4*	*– 4.6*	*+ 4.2*	*+6.0*
1979	*1*	*+5.3*	*+ 4.4*	*+ 5.7*	*+8.3*	*– 0.7*	*–16.7*	*+6.4*
	2	*+4.3*	*+10.6*	*– 2.4*	*+8.1*	*–*	*+14.3*	*+3.8*
	3	*+4.1*	*+12.5*	*– 4.0*	*+6.7*	*+ 0.8*	*+36.8*	*+1.5*
	4	*–0.4*	*– 0.3*	*– 5.0*	*+6.9*	*+12.0*	*– 4.0*	*+2.6*
1980	*1*	*–4.4*	*– 0.2*	*–11.8*	*+3.0*	*– 4.8*	*+20.0*	*–4.0*
	2	*–7.7*	*– 7.0*	*–12.5*	*+0.7*	*– 3.0*	*–41.7*	*–3.7*
	3	*–8.1*	*– 9.5*	*–10.7*	*–0.8*	*– 6.0*	*+ 3.8*	*–3.4*
	4	*–6.1*	*– 5.8*	*–11.1*	*+0.8*	*+ 1.4*	*– 4.2*	*–3.1*
1981	*1*	*–4.8*	*– 4.6*	*–10.7*	*+2.8*	*– 2.2*	*+66.7*	*–2.8*
	2	*–5.1*	*– 4.9*	*–11.1*	*+1.7*	*+ 9.3*	*+35.7*	*–3.7*
	3	*–1.4*	*+ 3.1*	*– 7.8*	*+2.1*	*+ 7.6*	*–33.3*	*–2.8*
	4	*–2.6*	*– 1.7*	*– 6.9*	*+2.6*	*– 2.8*	*+ 8.7*	*–1.6*
1982	*1*	*–1.1*	*– 5.6*	*+ 2.9*	*+0.4*	*+ 0.4*	*–20.0*	*+1.1*
	2	*–1.9*	*– 4.0*	*+ 1.3*	*–4.9*	*+ 0.4*	*+30.4*	*–1.5*
	3	*–0.2*	*– 9.5*	*+ 0.1*	*+7.6*	*+40.2*	*+14.7*	*+0.6*
	4	*–1.1*	*– 7.1*	*– 2.2*	*+4.7*	*+25.5*	*+ 4.6*	*–1.7*
1983	*1*	*–2.0*	*+ 0.5*	*– 9.6*	*+0.5*	*+23.9*	*+18.5*	*–0.8*
	2	*+1.4*	*– 2.5*	*– 1.3*	*+4.6*	*+36.7*	*+ 8.8*	*+2.7*
	3	*+1.4*	*+ 4.6*	*– 1.0*	*+0.9*	*+ 0.6*	*–19.7*	*+2.0*

[1] Consumption by fuel producers *plus* colliery disposals to final users *plus* net foreign trade and stock change in other solid fuels.
[2] Inland deliveries for energy use *plus* refinery fuel and losses *minus* the difference between deliveries and actual consumption at power stations and gas works.
[3] Excluding gas flared or re-injected.
[4] Nuclear and hydro electricity are not temperature corrected.
[5] The inclusion of Northern Ireland would add about 2% to the total.
[6] Provisional.


Inland energy consumption
Percentage share
50
45
40
35
30
25
20
15
10
5
0
Petroleum
Coal
Natural gas
Nuclear and
hydro-electricity
1978
1979
1980
1981
1982
1983

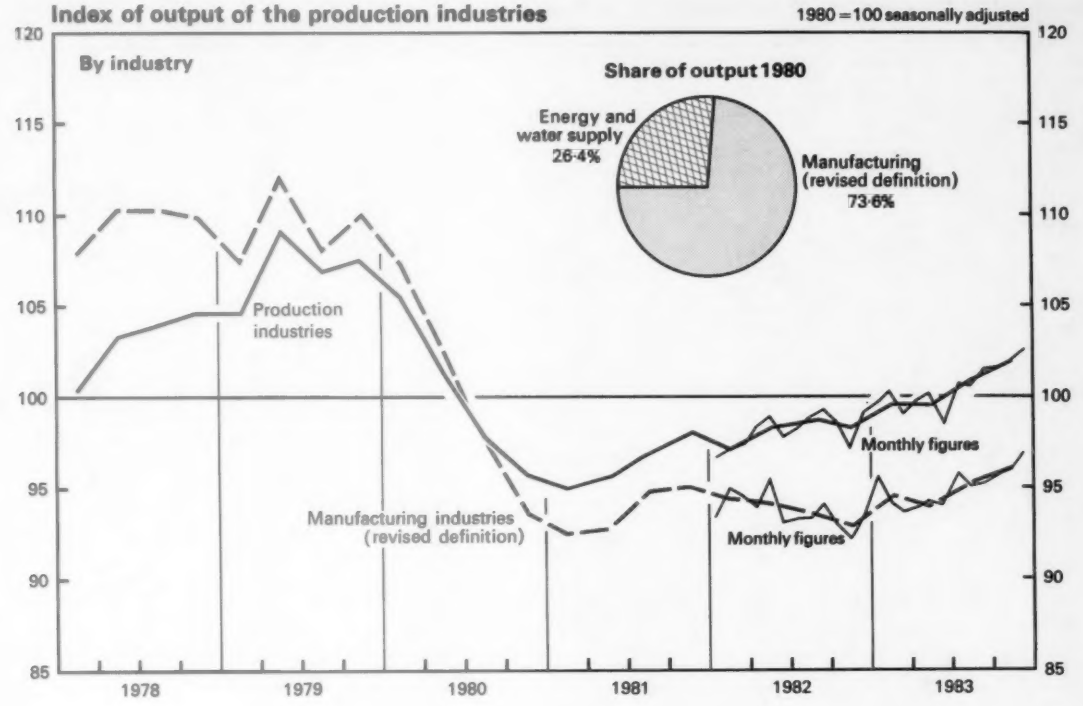
Index of output of the production and construction industries[1]

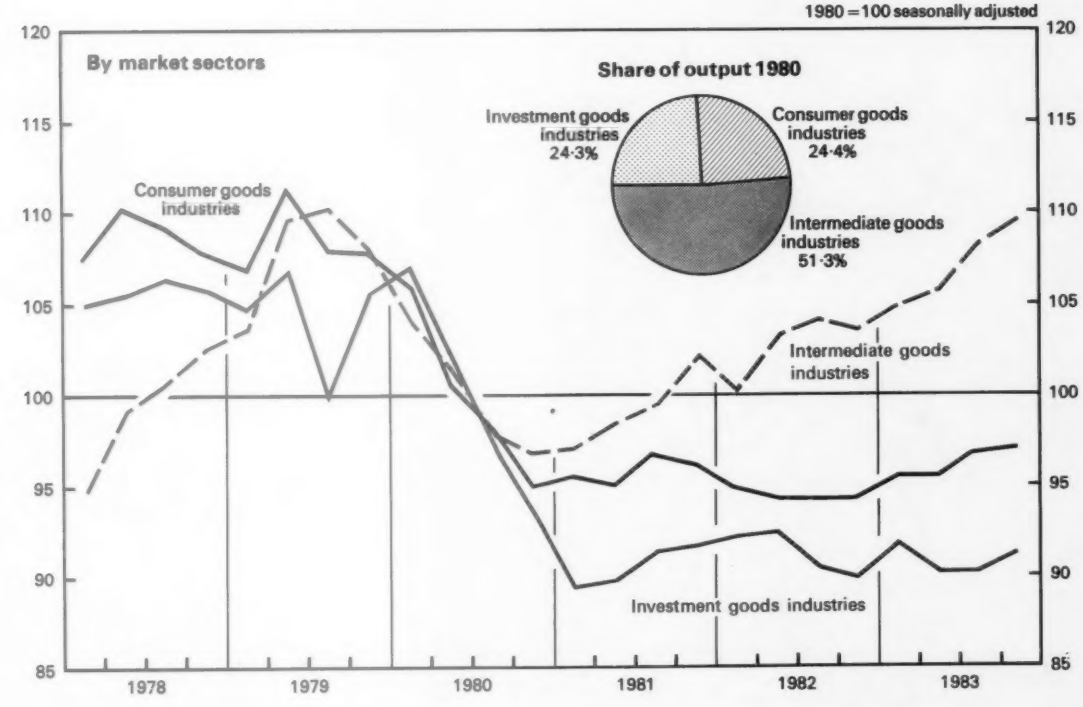
1980 = 100, seasonally adjusted

	Total production industries	Energy and water supply	Total Manufacturing industries	Construction	Total production and construction	Consumer goods industries	Investment goods industries	Intermediate goods industries
1980 weights PPT of GDP(O)	1 000 361	264 95	736 266	 63[2]	 424	245 88	243 88	512 185
1978	103.1	85.0	109.6	105.0	103.4	108.6	105.7	99.3
1979	107.0	100.5	109.4	105.6	106.8	108.4	104.2	107.9
1980	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1981	96.3	103.8	93.6	89.9†	95.4	95.9	90.5	99.2
1982	98.0	110.0†	93.7	91.6	97.1	94.4	91.5	102.7
1983	100.6	115.9	95.1	95.5	99.8	96.2	90.9	107.2
1979 *1*	104.6	96.9	107.3	101.0	104.0	106.8	104.7	103.6
2	109.3	101.1	112.2	107.1	108.9	111.3	106.8	109.6
3	106.9	104.0	108.0	107.6	107.0	107.9	99.8	110.3
4	107.3	99.9	110.0	106.9	107.3	107.8	105.6	108.0
1980 *1*	105.1	100.5	106.8	105.0†	105.1	106.0	107.0	104.0
2	101.3	98.6	102.3	101.6	101.4	100.4	102.1	101.4
3	97.8	98.8	97.4	100.5	98.2	98.5	97.3	97.8
4	95.7	102.1	93.5	92.9	95.3†	95.1	93.6	96.8
1981 *1*	94.9	101.8	92.4	92.5	94.5	95.5	89.4	97.1
2	95.5	103.5	92.7	89.6	94.6	95.1	89.7	98.4
3	96.9	103.3	94.6	90.9	96.0	96.7	91.4	99.4
4	98.0	106.8	94.9	86.8	96.4	96.2	91.6	102.0
1982 *1*	97.0	104.6	94.3	89.2	95.9	94.8	92.6	100.1
2	98.3	110.0	94.1	90.1	97.1	94.3	92.5	103.1
3	98.6	112.7	93.5	92.6	97.7	94.3	90.8	104.1
4	98.2	112.9	92.9	94.3	97.6	94.3	90.1	103.5
1983 *1*	99.5	113.7	94.3†	93.9	98.6	95.7†	91.5	105.0†
2	99.6†	114.6	94.2	91.4	98.3	95.6	90.2	105.8
3	101.3	116.8†	95.7	98.1†	100.8†	97.0	90.5	108.5
4	102.1	118.5	96.2	98.7	101.6	96.8	91.5	109.4
1981 *J*	96.1	103.1	93.6	..	..	96	90	99
J	96.5	102.9	94.2	..	..	97	91	99
A	96.7	103.1	94.4	..	..	96	92	99
S	97.4	103.8	95.1	..	..	97	92	100
O	99.2	108.3	95.9	..	..	97	92	104
N	98.1	106.0	95.3	..	..	96	92	102
D	96.8	106.2	93.4	..	..	95	91	101
1982 *J*	96.6	105.8	93.3	..	..	94	92	100
F	97.0	102.7	95.0	..	..	96	93	99
M	97.4	105.2	94.6	..	..	95	93†	101
A	98.4	110.6	94.0	..	..	94	92	103
M	98.9	109.0	95.3	..	..	95	94	103
J	97.7	110.5	93.1	..	..	93	92	103
J	98.0	111.4	93.3	..	..	94	91	103
A	98.6	113.4	93.3	..	..	94	90	105
S	99.2	113.4	94.0	..	..	95	92	105
O	98.5	113.8	92.9	..	..	95	90	104
N	97.0	110.4	92.2	..	..	93	90	102
D	99.0	114.5	93.5	..	..	95	90	105
1983 *J*	99.5†	110.3	95.7†	..	..	97	93	104
F	99.9	117.3	93.7	..	..	95	91†	106
M	98.9	113.5	93.7	..	..	95	90	105
A	99.9	116.0	94.0	..	..	96	90	106
M	100.1	116.1†	94.4	..	..	96†	91	107
J	98.7	111.7	94.0	..	..	96	90	104
J	101.1	115.0	96.1	..	..	97	92	107
A	101.0	116.7	95.4	..	..	97	90	108
S	101.7	118.7	95.6	..	..	97	90	110†
O	101.6	118.0	95.7	..	..	97	91	109
N	101.8	118.5	95.8	..	..	97	91	109
D	102.9	118.9	97.1	..	..	97	93	110
1984 *J*	103.6	120.3	97.6	..	..	97	93	111

[1] Revised definition: coverage differs from previous 1975-based estimates.

[2] For an index of construction output for Great Britain, see page 30.

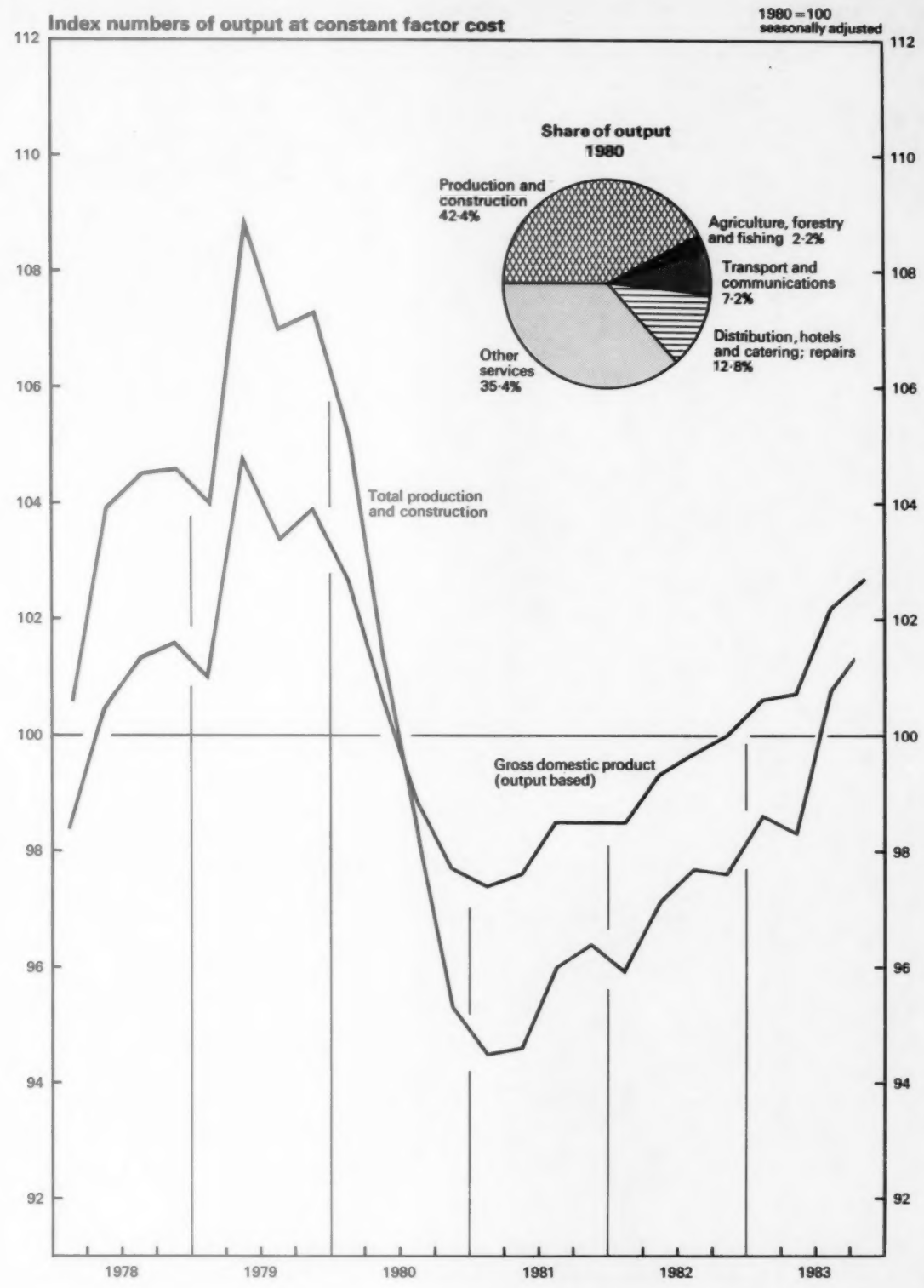

Index of output of the production industries
1980 = 100 seasonally adjusted
By industry
Share of output 1980
Energy and water supply 26·4%
Manufacturing (revised definition) 73·6%
Production industries
Manufacturing industries (revised definition)
Monthly figures
Monthly figures
120
115
110
105
100
95
90
85
1978
1979
1980
1981
1982
1983


1980 = 100 seasonally adjusted
By market sectors
Share of output 1980
Investment goods industries 24·3%
Consumer goods industries 24·4%
Intermediate goods industries 51·3%
Consumer goods industries
Intermediate goods industries
Investment goods industries
120
115
110
105
100
95
90
85
1978
1979
1980
1981
1982
1983

Index numbers of output at constant factor cost

		Seasonally adjusted					
		1980 = 100					
		Gross domestic product	Agriculture, forestry and fishing	Production and construction[1]	Distribution, hotels and catering; repairs	Transport and communication	Other services
1980 weights		*1 000*	*22*	*424*	*128*	*72*	*354*
1972		91.0	84.8	95.0	102.3	87.0	83.6
1973		96.4	87.4	102.5	107.0	93.6	86.3
1974		94.8	88.4	98.8	102.8	93.9	87.6
1975		93.0	81.5	93.5	99.2	92.7	90.7
1976		94.7	74.9	95.8	100.1	92.1	93.5
1977		97.3	84.7	99.8	99.6	94.8	94.8
1978		100.4	91.1	103.4	105.4	97.1	96.4
1979		103.3	89.8	106.8	109.0	101.5	98.2
1980		100.0	100.0	100.0	100.0	100.0	100.0
1981		98.0	103.1†	95.4	98.1	98.9	100.6
1982		99.4†	111.9	97.1	99.0	98.6†	101.6†
1983		101.6	107.3	99.8†	102.7†	101.7	102.8
1977	*1*	97.2	82	100.2	100	96	94
	2	96.7	84	99.7	98	93	94
	3	97.3	86	99.4	100	95	95
	4	97.9	87	100.0	101	95	96
1978	*1*	98.4	90	100.6	101	96	96
	2	100.5	92	103.9	105	97	96
	3	101.3	92	104.5	107	97	97
	4	101.6	91	104.6	108	99	97
1979	*1*	101.0	89	104.0	106	96	97
	2	104.8	88	108.9	114	103	98
	3	103.4	89	107.0	107	104	98
	4	103.9	93	107.3	109	103	99
1980	*1*	102.7	97	105.1	105	103	99
	2	100.7	100	101.4	101	101	100
	3	98.9	101	98.2	98	99	100
	4	97.7	101	95.3†	97	98	100
1981	*1*	97.4†	101	94.5	98	98	100
	2	97.6	102†	94.6	98	98	100
	3	98.5	104	96.0	99	100	101
	4	98.5	106	96.4	97	100	101
1982	*1*	98.5	110	96.9	98	98	101
	2	99.3	113	97.1	98	99	101
	3	99.7	113	97.7	100	98	102
	4	100.0	112	97.6	100	100†	102
1983	*1*	100.6	108	98.6	101	100	102
	2	100.7	107	98.3	102†	101	103†
	3	102.2	107	100.8	104	102	103
	4	102.7	107	101.6	104	103	103
		Percentage change, quarter on corresponding quarter of previous year					
1979	*1*	*+2.7*	*–*	*+ 3.4*	*+ 5*	*–*	*+2*
	2	*+4.3*	*– 4*	*+ 4.9*	*+ 9*	*+6*	*+2*
	3	*+2.1*	*– 3*	*+ 2.4*	*–*	*+8*	*+2*
	4	*+2.2*	*+ 2*	*+ 2.5*	*+ 1*	*+4*	*+2*
1980	*1*	*+1.6*	*+ 9*	*+ 1.0*	*– 1*	*+7*	*+2*
	2	*–3.9*	*+14*	*– 6.9*	*–11*	*–2*	*+2*
	3	*–4.3*	*+14*	*– 8.2*	*– 9*	*–6*	*+2*
	4	*–6.0*	*+ 9*	*–11.1*	*–11*	*–5*	*+2*
1981	*1*	*–5.1*	*+ 4*	*–10.0*	*– 6*	*–5*	*+1*
	2	*–3.1*	*+ 2*	*– 6.7*	*– 2*	*–3*	*+1*
	3	*–0.5*	*+ 2*	*– 2.3*	*+ 1*	*+1*	*+1*
	4	*+0.9*	*+ 5*	*+ 1.1*	*–*	*+2*	*+1*
1982	*1*	*+1.1*	*+ 8*	*+ 1.4*	*–*	*–*	*+1*
	2	*+1.7*	*+11*	*+ 2.6*	*–*	*+1*	*+1*
	3	*+1.2*	*+10*	*+ 1.8*	*+ 1*	*–2*	*+1*
	4	*+1.5*	*+ 5*	*+ 1.3*	*+ 3*	*–*	*+1*
1983	*1*	*+2.1*	*– 1*	*+ 2.9*	*+ 3*	*+3*	*+1*
	2	*+1.5*	*– 5*	*+ 1.3*	*+ 4*	*+2*	*+1*
	3	*+2.5*	*– 6*	*+ 3.2*	*+ 4*	*+5*	*+1*
	4	*+2.7*	*– 4*	*+ 4.1*	*+ 4*	*+3*	*+1*

[1] Revised definition, comprising Divisions 1-5 of the 1980 Standard Industrial Classification. Any differences between this column and the data on page 26 arise because the latter may be based on more recent information.


Index numbers of output at constant factor cost
1980 = 100
seasonally adjusted
112
110
108
106
104
102
100
98
96
94
92
Share of output
1980
Production and construction 42·4%
Agriculture, forestry and fishing 2·2%
Transport and communications 7·2%
Distribution, hotels and catering; repairs 12·8%
Other services 35·4%
Total production and construction
Gross domestic product (output based)
1978
1979
1980
1981
1982
1983

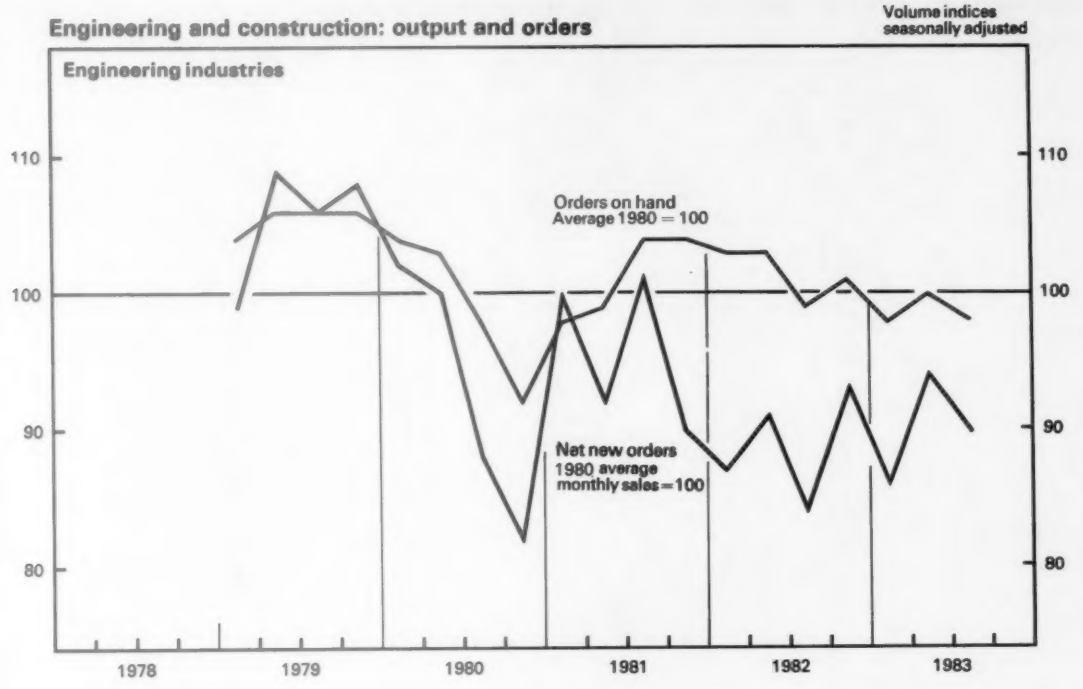
Engineering and construction: output and orders

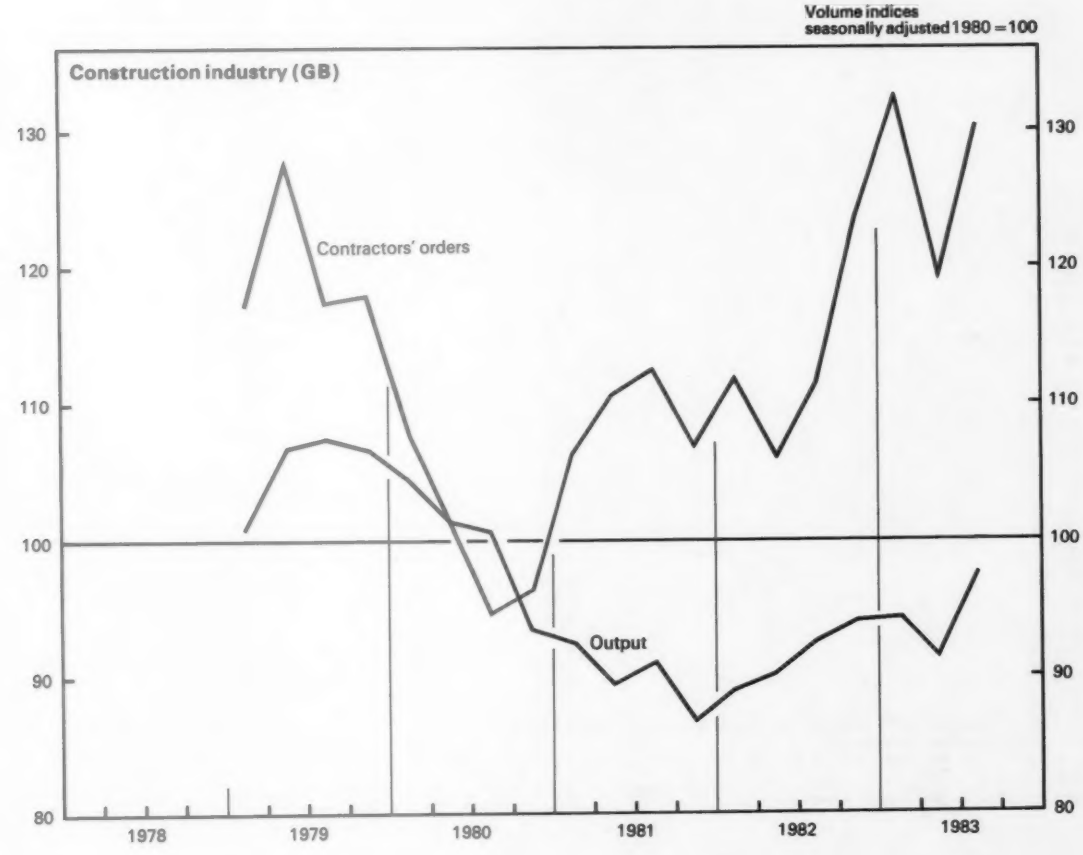
Seasonally adjusted volume index numbers

		Engineering industries[1]							Construction (GB)	
		Total			Home market		Export			
		Sales	Orders on hand end of period	New orders[2]	Orders on hand end of period	New orders[2]	Orders on hand end of period	New orders[2]	Output[3,4]	Orders received
		1980 average monthly sales = 100	Average 1980 = 100	1980 average monthly sales = 100	Average 1980 = 100	1980 average monthly sales = 100	Average 1980 = 100	1980 average monthly sales = 100	1980 = 100	1980 = 100
1979		105	106	106	106	107	104	102	105.5	120.1
1980		100	92	93	91	92	97	96	100.0	100.0
1981		89	104	95	103	94	110	99	90.5	109.1
1982		90	101	89	102	90	99	85	91.8	113.2
1983		91	100	89	100	90	100	89	95.7[5]	127.9[5]
1979	1	102	104	99	102	98	110	102	100.9	117.2
	2	109	104	109	103	110	108	107	106.8	127.8
	3	103	106	106	106	111	105	93	107.4	117.3
	4	108	106	108	106	109	104	105	106.8	117.9
1980	1	106	104	102	105	102	102	99	104.5	107.8
	2	102	103	100	102	97	105	111	101.4	101.4
	3	99	98	88	97	89	98	83	100.7	94.5
	4	93	92	82	91	80	97	91	93.5	96.3
1981	1	89†	98	100	98	103	97	90	93.0	106.1
	2	90	99	92	99	92	97	89	89.9	110.7
	3	89	104	101	102	94	109	121	91.7	112.5
	4	90	104	90	103	88	110	95	87.3	106.9
1982	1	90	103	87	101	87	107	87	89.5	111.8
	2	90	103	91	101	88	111	100	90.4	106.0
	3	91	99	84	99	88	101	71	92.7	111.4
	4	90	101	93	102	96	99	83	94.5	123.7
1983	1	91	98	86	97	81	104	100	94.2	132.3
	2	91	100	94	96	91	108	101	91.4	119.1
	3	93	98	90	96	94	103	76	98.3	131.1
	4	90	100	96	100	100	100	82	98.9[5]	129.1[5]
1981	A	92	99	97	98	94	100	107	..	94.2
	M	88	98	84†	97	83	99	86	..	110.6
	J	91	99	95	99	101	97	75	..	127.1
	J	89	102	106	103	109	98	97	..	116.4
	A	90	103	100	102	81	107	164	..	119.8
	S	89	104	95	102	92	109	102	..	101.3
	O	92	105	95	102	90	111	110	..	110.9
	N	89	104	82	101	80	110	86	..	109.1
	D	88	104	94	103	95	110	90	..	100.9
1982	J	90	105	91	103	92	109	89	..	110.1
	F	91	104	89	103	92	107	80	..	107.5
	M	89	103	80	101	77	107	91	..	117.6
	A	89	104	100	103	97	110	109	..	103.3
	M	93	105	96	103	94	111	103	..	106.1
	J	87	103	77	101	73	111	89	..	108.6
	J	92	102	86	100	87	109	81	..	111.8
	A	90	101	80	99	84	106	70	..	98.2
	S	92	99	85	99	92	101	63	..	124.2
	O	91	101	101	101	105	101	87	..	109.6
	N	89	100	83	100	85	99	77	..	122.2
	D	90	101	95	102	98	99	84	..	139.5
1983	J	93	99	81	99	79	98	84	..	135.4
	F	91	99	95	98	86	103	122	..	122.8
	M	88	98	83†	96†	80†	103†	94†	..	138.6
	A	92†	98†	96	95	90	107	115	..	133.5
	M	92	98	91	95	93	106	83	..	118.9
	J	88	96	85	95	87	105	81	..	105.0
	J	95	98	96	95	97	105	92	..	141.6
	A	91	97	88	95	92	104	74	..	121.2
	S	90	97	87	95	89	103	84	..	130.6
	O	91	98	91	96	91	102	80	..	121.9
	N	89	99	91	98	98	102	87	..	137.8
	D	91	100	97	100	103	100	79	..	127.5[5]
1984	J	..	..	..	..	..	..	..	..	133.6[5]

[1] Mechanical, instrument and electrical engineering (SIC classes 32, 37, 34)
[2] Net of cancellations.
[3] This index is based on an output series which includes repair and maintenance estimates, unrecorded output by small firms and self-employed workers and output by the direct labour departments of the public sector.
[4] Details of the method of deflation to constant prices are given in *Economic Trends*, No. 297, July 1978.
[5] Provisional.

Engineering and construction: output and orders

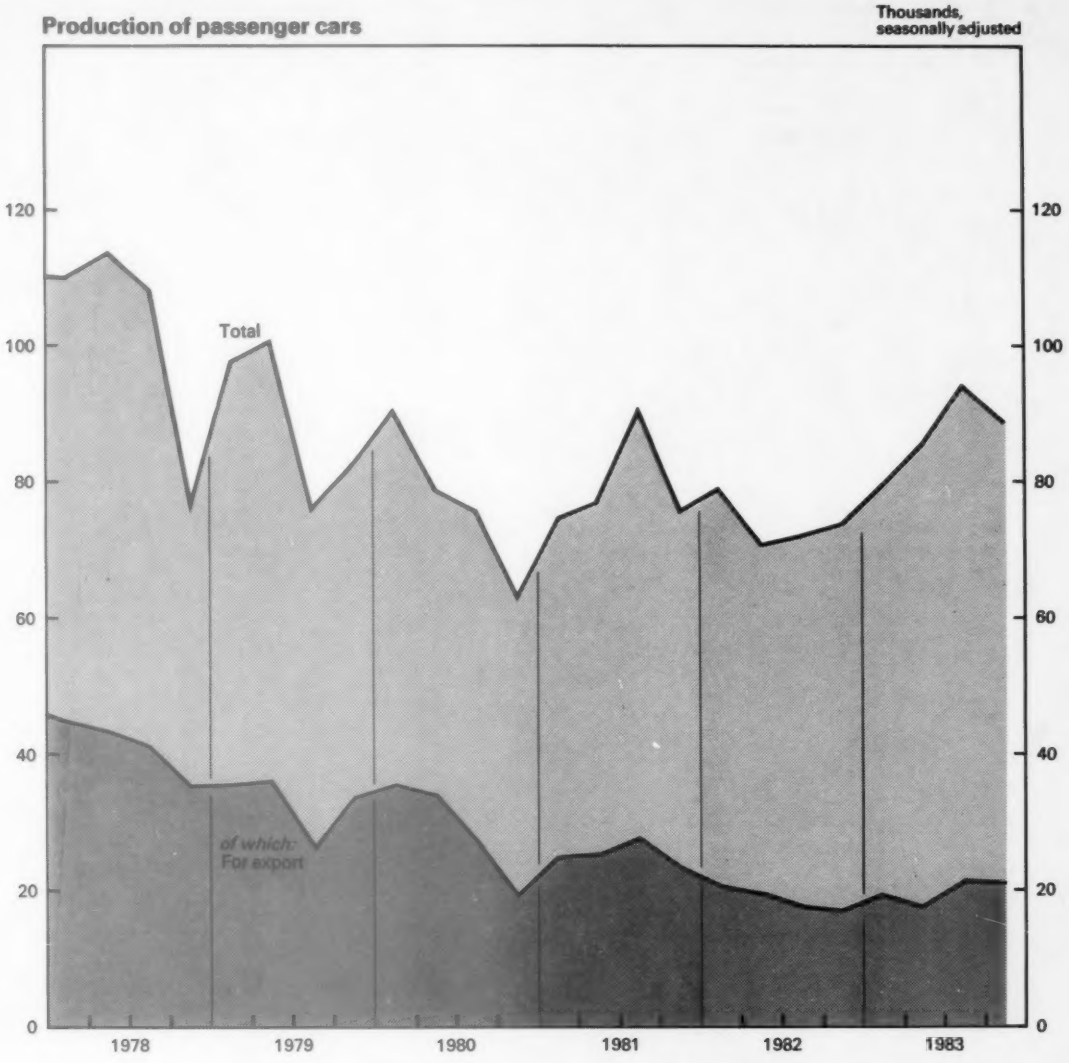


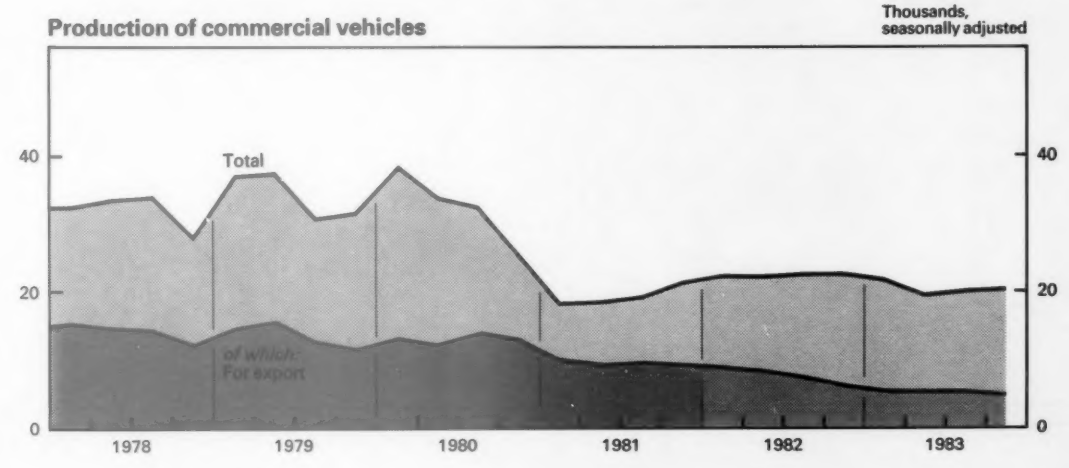


Motor vehicle production and steel production and consumption

	Seasonally adjusted					
	Thousands[1]				Thousand tonnes	
	Passenger cars§		Commercial vehicles§			
	Total	Production for export	Total	*of which:* For export	Crude steel production[2,3]	Finished steel consumption[8]
1973	145.6	50.4	34.7	13.3	26 684	18 445
1974	127.8	49.7	33.5	14.2	22 362	17 548
1975	105.6	44.3	31.7	15.5	19 737[4]	15 446[5]
1976	111.1	47.1	31.0	15.8	22 236	15 804
1977	109.7	46.9	33.2	16.4	20 385	15 300
1978	101.9	41.2	32.0	14.1	20 237	15 720
1979	89.2	32.7	34.0	13.5	21 412	15 480
1980	77.0	29.1	32.4	13.0	11 387	12 800
1981	79.5	25.4	19.1	9.5	15 308[4]	12 440
1982	74.0	18.9	22.4	7.7	13 704	12 300
1983	87.0	19.8	20.4	5.2	14 986	11 530
1980 *1*	90.9	35.7	38.2	13.1	764	3 062
2	78.6	34.0	33.8	12.1	4 098	3 447
3	75.8	27.5	32.4	14.0	3 498	3 120
4	62.6	19.2	25.3	12.9	3 027	3 014
1981 *1*	74.7	25.0	18.1	9.9	3 585	2 936
2	77.0	25.3	18.3	9.3	3 892	2 979
3	90.8	27.9	19.1	9.6	3 813[6]	3 227
4	75.5	23.3	21.2	9.4	4 018	3 088
1982 *1*	79.1	20.6	22.3	8.8	4 030	3 230
2	70.9	19.8	22.2	8.4	3 840	3 230
3	72.1	17.7	22.5	7.5	3 054	2 950
4	73.9	17.2	22.5	6.1	2 720	2 870
1983 *1*	79.3	19.4	21.7	5.2	3 768	2 830
2	85.7	17.6	19.6	5.3	3 813	2 910
3	94.1	21.2	20.0	5.3	3 690	2 850
4	89.1	21.0	20.2	5.1	3 662	2 940
1981 *J*	95.5	26.9	19.6	9.6	1 650[6]	..
A	82.4	23.4	17.3	9.7	1 013	..
S	94.6	33.5	20.5	9.6	1 443[6]	..
O	85.8	27.0	20.5	9.3	1 263	..
N	58.6	18.0	20.8	9.3	1 298	..
D	82.1	25.0	22.3	9.5	1 457[6]	..
1982 *J*	76.6	20.6	20.8	9.3	1 138	..
F	81.6	22.2	22.6	8.5	1 310	..
M	79.0	19.1	23.6	8.5	1 583[6]	..
A	61.3	19.7	21.9	8.5	1 201	..
M	80.3	21.2	24.1	9.6	1 259	..
J	71.0	18.5	20.7	7.1	1 380[6]	..
J	74.1	20.2	21.5	7.3	1 044	..
A	72.1	17.5	21.0	6.8	909	..
S	70.0	15.3	25.0	8.5	1 101[6]	..
O	77.1	18.6	23.1	6.5	864	..
N	67.8	16.0	23.1	6.5	892	..
D	76.8	17.0	21.4	5.4	964[6]	..
1983 *J*	78.4	20.3	23.4	5.0	1 051	..
F	78.7	17.7	20.8	4.9	1 205	..
M	80.7	20.1	20.9	5.8	1 512[6]	..
A	66.0	15.6	20.5	4.9	1 116	..
M	100.1	20.4	20.4	5.4	1 241	..
J	91.1	16.8	18.0	5.7	1 456	..
J	91.0	18.4	18.6	5.0	1 094	..
A	99.3	25.0	21.6	5.5	1 339[6]	..
S	91.9	20.2	19.7	5.3	1 258	..
O	86.6	18.6	19.0	4.1	1 131	..
N	94.2	23.2	21.3	5.5	1 454[6]	..
D	86.6	21.1	20.3	5.7	1 076	..
1984 *J*	91.2	28.1	22.6	6.4	1 165[7]	..

[1] Monthly averages or standardised calendar months.
[2] The totals are for 'usable steel' in accordance with the system used by the EC and the International Iron and Steel Institute.
[3] The seasonally adjusted quarterly figures are not constrained to sum to the annual totals.
[4] 53-week period; reduced to 52-week basis for comparison purposes.
[5] 14-week period; reduced to 13-week basis for comparison purposes.
[6] Five-week periods.
[7] Provisional.
[8] The seasonal adjustment factors have recently been revised, consequently resulting in a number of amended figures.


Production of passenger cars
Thousands, seasonally adjusted
120
100
80
60
40
20
0
Total
of which:
For export
1978
1979
1980
1981
1982
1983

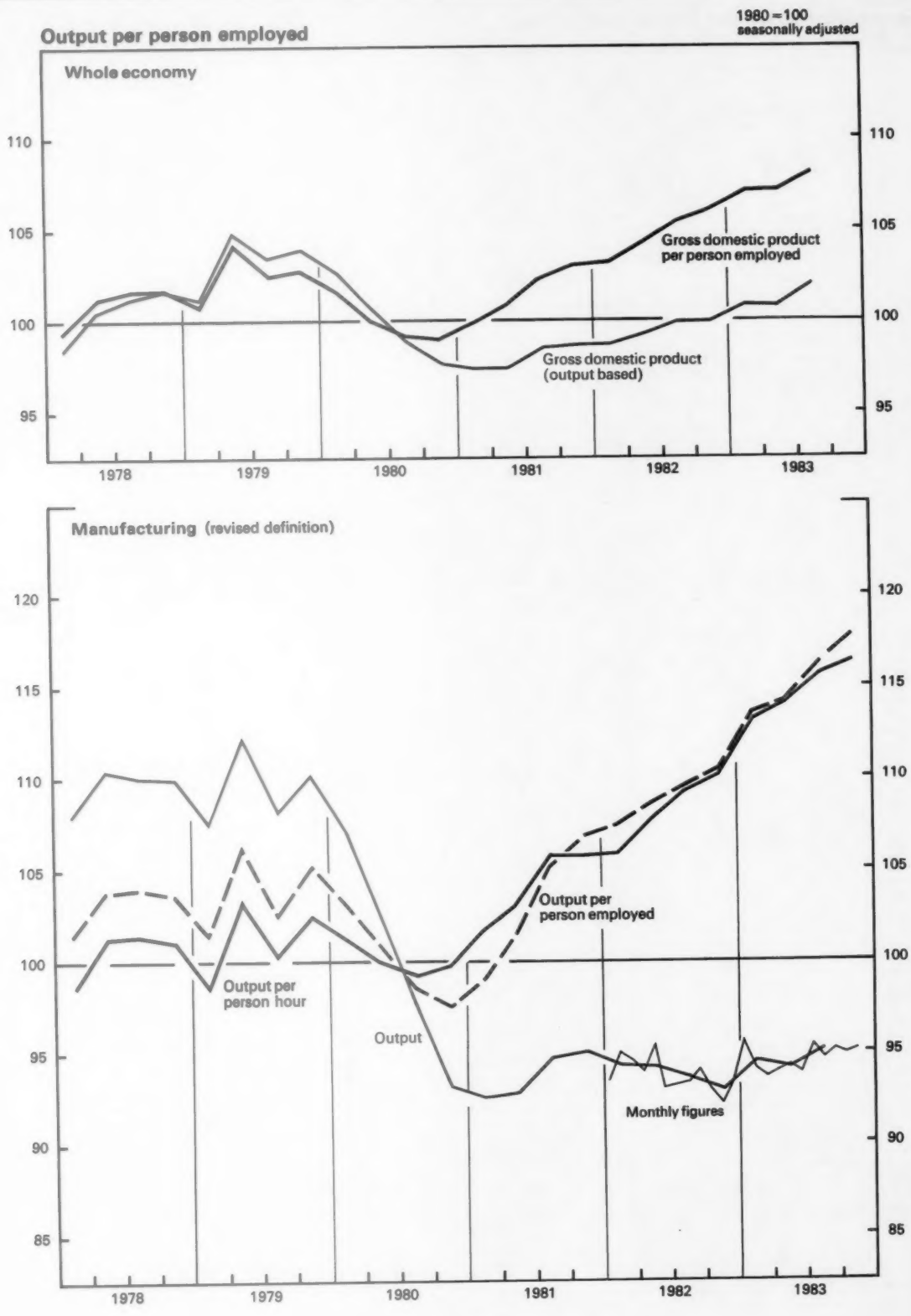

Production of commercial vehicles
Thousands, seasonally adjusted
40
20
0
Total
of which:
For export
1978
1979
1980
1981
1982
1983

Output per person employed

1980 = 100, seasonally adjusted

	Employment			Output per person employed[1]			
	Total employed labour force	Total production industries[2]	Manufacturing industries[2]	Whole economy	Total production industries[2]	Manufacturing industries[2]	Output per hour in manufacturing industries[2]
1979	100.7	104.7	105.3	102.6	102.2	103.9†	101.3†
1980	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1981	96.6	91.6	91.0	101.5	105.2†	103.0	104.0
1982	94.9	87.2†	86.1	104.7	112.6	108.9	108.3†
1983		83.3	82.4		120.9	115.6	115.0
1979 *2*	100.6†	105.1†	105.6	104.2†	104.0†	106.3	103.4
3	100.9	104.7	105.4	102.5	102.2	102.5	100.4
4	101.1	104.1	104.7	102.8	103.1	105.1†	102.4†
1980 *1*	101.0	103.2	103.5	101.7	101.9	103.3	101.2
2	100.6	101.7	101.6†	100.1	99.7	100.7	99.9
3	99.8	99.0	98.9	99.2	98.8	98.5	99.2
4	98.7	96.1	95.9	99.0	99.7	97.5	99.7
1981 *1*	97.7	93.8	93.5	99.8	101.2	98.9	101.5
2	96.8	91.9	91.5	100.8	103.9	101.3	103.0
3	96.2	90.8	90.0	102.4	106.7	105.2	105.7
4	95.8	89.9	88.9	102.9	109.1	106.8	105.7
1982 *1*	95.5	88.8	87.9	103.2	109.3	107.4	105.8
2	95.2	87.8	86.8	104.2	112.0	108.6	107.7
3	94.7	86.6	85.5	105.4	113.9	109.5	109.4
4	94.3	85.4	84.3	106.0	115.0	110.2	110.1
1983 *1*	94.1	84.3	83.2	107.0	118.0	113.4	113.2
2	94.1	83.5	82.5	107.1	119.3	114.2	114.1
3	94.2	82.8	82.0	108.2	122.3	116.8	116.2
4		82.4	81.7		123.9	117.8	116.4
1982 *J*	..	..	85.9†	..	..	108.7	108.4
A	..	..	85.4	..	..	109.3†	109.1†
S	..	..	85.1	..	..	110.6	110.6
O	..	..	84.8	..	..	109.7	109.6
N	..	..	84.3	..	..	109.5	109.4
D	..	..	83.9	..	..	111.5	111.3
1983 *J*	..	..	83.5	..	..	114.7	114.5
F	..	..	83.2	..	..	112.6	112.3
M	..	..	83.0	..	..	113.0	112.7
A	..	..	82.8	..	..	113.7	113.6
M	..	..	82.4	..	..	114.6	114.4
J	..	..	82.3	..	..	114.3	114.3
J	..	..	82.1	..	..	117.1	116.7
A	..	..	82.1	..	..	116.4	115.8
S	..	..	81.8	..	..	116.9	116.1
O	..	..	81.7	..	..	117.2	115.9
N	..	..	81.8	..	..	117.2	115.8
D	..	..	81.7	..	..	119.0	117.6
1984 *J*	..	..	81.5	..	..	119.8	118.5
	Percentage change, quarter on corresponding quarter of previous year						
1979 *2*	*+1.4*	*−0.4*	*− 0.6*	*+2.9*	*+ 6.1*	*+2.3*	*+2.0*
3	*+1.4*	*−0.6*	*− 0.5*	*+0.7*	*+ 3.3*	*−1.5*	*−1.2*
4	*+1.1*	*−1.0*	*− 1.2*	*+1.1*	*+ 3.7*	*+1.3*	*+1.3*
1980 *1*	*+0.7*	*−1.7*	*− 2.1*	*+0.9*	*+ 2.3*	*+1.7*	*+2.3*
2	*–*	*−3.2*	*− 3.7*	*−3.9*	*− 4.1*	*−5.3*	*−3.4*
3	*−1.1*	*−5.4*	*− 6.1*	*−3.2*	*− 3.3*	*−3.9*	*−1.2*
4	*−2.4*	*−7.7*	*− 8.3*	*−3.7*	*− 3.3*	*−7.3*	*−2.7*
1981 *1*	*−3.3*	*−9.1*	*− 9.6*	*−1.9*	*− 0.7*	*−4.3*	*+0.3*
2	*−3.8*	*−9.6*	*−10.0*	*+0.7*	*+ 4.2*	*+0.6*	*+3.0*
3	*−3.6*	*−8.3*	*− 9.0*	*+3.2*	*+ 8.0*	*+6.7*	*+6.6*
4	*−2.9*	*−6.5*	*− 7.3*	*+3.9*	*+ 9.4*	*+9.6*	*+6.0*
1982 *1*	*−2.3*	*−5.3*	*− 6.0*	*+3.4*	*+ 8.0*	*+8.6*	*+4.3*
2	*−1.7*	*−4.5*	*− 5.2*	*+3.4*	*+ 7.8*	*+7.2*	*+4.6*
3	*−1.6*	*−4.6*	*− 5.0*	*+2.9*	*+ 6.7*	*+4.2*	*+3.4*
4	*−1.6*	*−5.0*	*− 5.1*	*+3.0*	*+ 5.4*	*+3.2*	*+4.2*
1983 *1*	*−1.5*	*−5.1*	*− 5.3*	*+3.7*	*+ 8.0*	*+5.7*	*+6.9*
2	*−1.2*	*−4.9*	*− 4.9*	*+2.8*	*+ 6.5*	*+5.2*	*+5.9*
3	*−0.5*	*−4.4*	*− 4.1*	*+2.7*	*+ 7.4*	*+6.6*	*+6.2*
4		*−3.5*	*− 3.1*		*+ 7.7*	*+6.9*	*+5.8*

[1] The ratios do not take into account part-time working or hours of work.
[2] Revised definition.


Output per person employed
1980 = 100
seasonally adjusted
Whole economy
110
105
100
95
Gross domestic product
per person employed
Gross domestic product
(output based)
1978
1979
1980
1981
1982
1983
Manufacturing (revised definition)
120
115
110
105
100
95
90
85
Output per
person employed
Output per
person hour
Output
Monthly figures

National employment and unemployment[1]

	Seasonally adjusted								Unadjusted
	United Kingdom						Great Britain Manufacturing industry		United Kingdom
	Thousands			Unemployed excluding school leavers		Thousands		1980 = 100	Thousands
	Working population[2,3]	Employed labour force[2,3]	Employees in employment[3,4]	Thousands[4,5]	Percentage of employees[4,6]	Vacancies notified to employment offices[5,4]	Employees in employment	Average hours worked per operative[7]	Total unemployed including school-leavers[5]
1975	25 922	25 041	22 711	922.9	*3.9*	154.4	..	100.0	940.9
1976	26 131	24 809	22 524	1 249.1	*5.2*	122.2	..	103.0	1 301.7
1977	26 239	24 835	22 604	1 333.0	*5.6*	154.7	..	103.8	1 402.7
1978	26 372	24 984	22 762	1 319.1	*5.5*	210.3	..	103.5	1 382.9
1979	26 646	25 356	23 139	1 242.4	*5.1*	241.3	..	103.4	1 295.7
1980	26 869	25 284	22 950	1 560.8	*6.4*	143.0	..	100.0	1 664.9
1981	26 781	24 297	21 845	2 413.1	*10.0*	97.0	..	99.2	2 520.4
1982	26 804	23 933	21 391	2 793.2	*11.7*	111.3	..	101.5	2 916.9
1983				2 970.2	*12.4*	145.1	..	101.3	3 104.7
1981 *1*	26 840	24 520	22 095	2 166.0	*9.0*	98.2	..	96.9	2 305.7
2	26 781	24 297	21 845	2 362.2	*9.8*	89.4	..	98.6	2 391.8
3	26 881	24 196	21 718	2 515.1	*10.4*	96.4	..	100.2	2 615.6
4	26 832	24 073	21 573	2 609.1	*10.8*	104.1	..	102.8	2 768.4
1982 *1*	26 842	24 040	21 519	2 679.4	*11.2*	111.7	..	102.5	2 862.4
2	26 804	23 933	21 391	2 742.5	*11.5*	107.2	..	101.5	2 796.2
3	26 791	23 791	21 225	2 837.5	*11.9*	110.9	..	100.6	2 939.2
4	26 804	23 716	21 127	2 913.2	*12.2*	115.3	..	100.8	3 069.7
1983 *1*	26 816	23 665	21 051	3 003.0	*12.6*	124.0	..	101.1	3 199.0
2	26 784	23 692	21 052	2 986.2	*12.5*	135.0	..	100.6	3 067.7
3	26 843	23 746	21 078	2 949.8	*12.4*	159.7	..	101.6	3 066.0
4				2 941.9	*12.3*	161.6	..	102.4	3 085.9
1982 *J*	..	..	..	2 670.5	*11.2*	111.6	..	102.7	2 896.3
F	..	..	..	2 679.8	*11.2*	113.0	..	102.7	2 870.2
M	..	..	..	2 687.9	*11.3*	110.6	..	102.5	2 820.8
A	..	..	..	2 715.1	*11.4*	109.7	..	101.8	2 818.5
M	..	..	..	2 739.8	*11.5*	106.6	..	101.7	2 800.5
J	..	..	..	2 772.7	*11.6*	105.2	..	101.5	2 769.6
J	..	..	..	2 813.8	*11.8*	111.4	..	101.0	2 852.5
A	..	..	..	2 832.4	*11.9*	114.0	..	100.8	2 898.8
S	..	..	..	2 866.4	*12.0*	107.3	..	100.6	3 066.2
O	..	..	..	2 885.4	*12.1*	113.9	..	100.8	3 049.0
N	..	..	..	2 905.5	*12.2*	114.4	..	100.8	3 063.0
D	..	..	..	2 948.8	*12.4*	117.6	..	100.8	3 097.0
1983 *J*	..	..	..	2 982.7	*12.5*	122.0	..	100.8	3 225.2
F	..	..	..	3 000.6	*12.6*	124.0	..	101.0	3 199.4
M	..	..	..	3 025.7	*12.7*	126.1	..	101.1	3 172.4
A	..	..	..	3 021.1	*12.7*	134.5	..	100.7	3 169.9
M	..	..	..	2 969.9	*12.4*	131.1	..	100.9	3 049.4
J	..	..	..	2 967.7	*12.4*	139.3	..	100.6	2 983.9
J	..	..	..	2 957.3	*12.4*	153.4	..	101.0	3 020.6
A	..	..	..	2 940.9	*12.3*	162.0	..	101.3	3 009.9
S	..	..	..	2 951.3	*12.4*	163.6	..	101.6	3 167.4
O	..	..	..	2 941.0	*12.3*	167.0	..	102.3	3 094.0
N	..	..	..	2 938.5	*12.3*	162.8	..	102.4	3 084.4
D	..	..	..	2 946.1	*12.3*	154.9	..	102.4	3 079.4
1984 *J*	..	..	..	2 976.0	*12.5*	152.0	..	102.3	3 199.7
F				3 004.6	*12.6*	148.7	..		3 186.4

[1] Unemployment figures do not include students registered for temporary employment during a current vacation.

[2] The working population consists of the employed labour force and the unemployed (including school-leavers); the employed labour force includes employers, self-employed and HM Forces as well as employees in employment. Estimates of the working population and of the employed labour force are provisional from September 1981 and include an allowance for underestimation at the rate of 25,000 per quarter for self employment and, from December 1981, 40,000 per quarter for employees in employment. See article on Page 242 of *Employment Gazette* June 1983.

[3] Annual estimates relate to mid-year. Figures for the four quarters relate to March, June, September and December respectively.

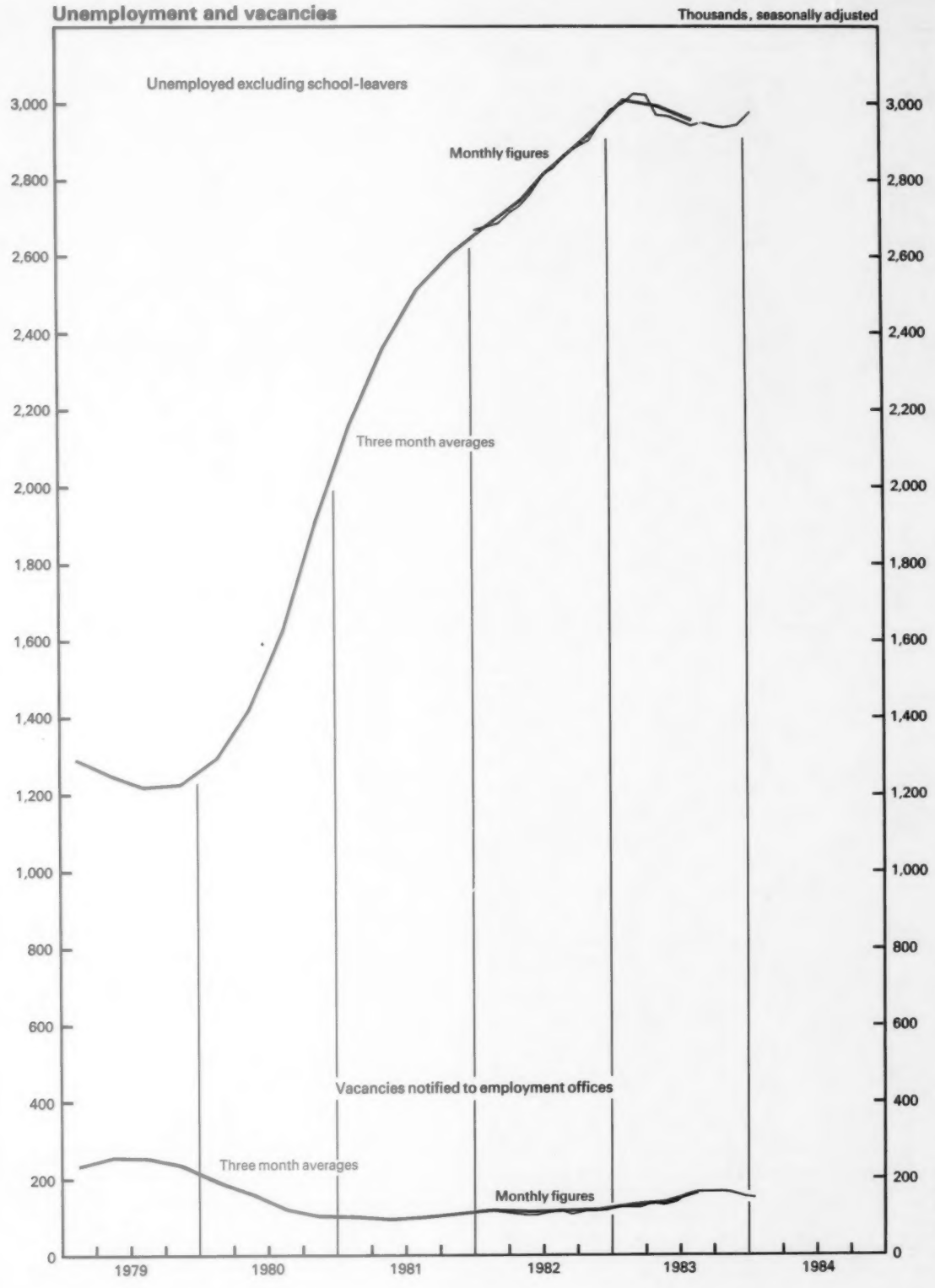
[4] Estimates of employees in employment are provisional from December 1981 and include an allowance for underestimation. See articles on pages 242 and 508 of June and December 1983 Employment Gazette respectively.
The seasonally adjusted series have been revised as described in the December 1982 *Employment Gazette*

[5] From April 1 1983, the figures reflect the effects of the provisions in the Budget for some men aged 60 and over who no longer have to sign on at an unemployment benefit office.

[6] The base used in calculating the percentage rate of unemployment is the appropriate mid-year estimate of total employees (employed and unemployed).

[7] The indices are based on SIC 1980 definition of manufacturing industry.

[8] Provisional.


Unemployment and vacancies
Thousands, seasonally adjusted
Unemployed excluding school-leavers
Monthly figures
Three month averages
Vacancies notified to employment offices
Three month averages
Monthly figures
3,000
2,800
2,600
2,400
2,200
2,000
1,800
1,600
1,400
1,200
1,000
800
600
400
200
0
1979
1980
1981
1982
1983
1984

Regional unemployment rates[1]

Seasonally adjusted

Per cent

		North	Yorkshire and Humberside	East Midlands	East Anglia	South East	South West	West Midlands
1977	3	7.6	5.4	4.6	5.0	4.2	6.4	5.2
	4	7.9	5.4	4.7	5.0	4.2	6.5	5.2
1978	1	8.0	5.4	4.6	4.8	4.0	6.2	5.0
	2	8.0	5.4	4.6	4.7	3.9	6.1	5.0
	3	8.0	5.5	4.5	4.6	3.8	5.9	5.0
	4	8.0	5.3	4.4	4.5	3.6	5.6	4.9
1979	1[2]	8.0	5.4	4.4	4.4	3.5	5.5	4.9
	2[2]	7.8	5.2	4.2	4.2	3.4	5.3	4.9
	3[2]	7.8	5.1	4.1	4.0	3.2	5.1	4.9
	4[2]	7.9	5.1	4.2	3.9	3.1	5.0	4.9
1980	1[2]	8.4	5.5	4.4	4.0	3.3	5.1	5.2
	2[2]	9.2	6.2	5.0	4.5	3.6	5.5	5.9
	3[2]	10.0	7.1	6.0	5.3	4.2	6.3	7.1
	4[2]	11.3	8.5	7.2	6.3	5.1	7.3	8.9
1981	1[2]	12.9	9.9	8.4	7.3	6.0	8.2	10.7
	2[2]	13.7	10.8	9.2	7.9	6.7	8.9	11.9
	3[2,3]	14.4	11.4	9.6	8.4	7.3	9.4	12.7
	4[2,3]	14.8	11.8	9.9	8.7	7.7	9.8	13.2
1982	1	15.0	12.2	10.2	9.1	8.0	10.0	13.8
	2	15.4	12.5	10.4	9.3	8.3	10.2	14.1
	3	16.0	12.9	10.7	9.6	8.5	10.5	14.5
	4	16.3	13.3	11.1	10.1	8.8	10.9	14.8
1983	1	16.6	13.7	11.6	10.5	9.2	11.3	15.3
	2[4]	16.6	13.5	11.4	10.3	9.2	10.9	15.3
	3	16.2	13.3	11.1	10.0	9.1	10.8	14.8
	4	16.3	13.1	11.1	10.0	9.1	10.8	14.5

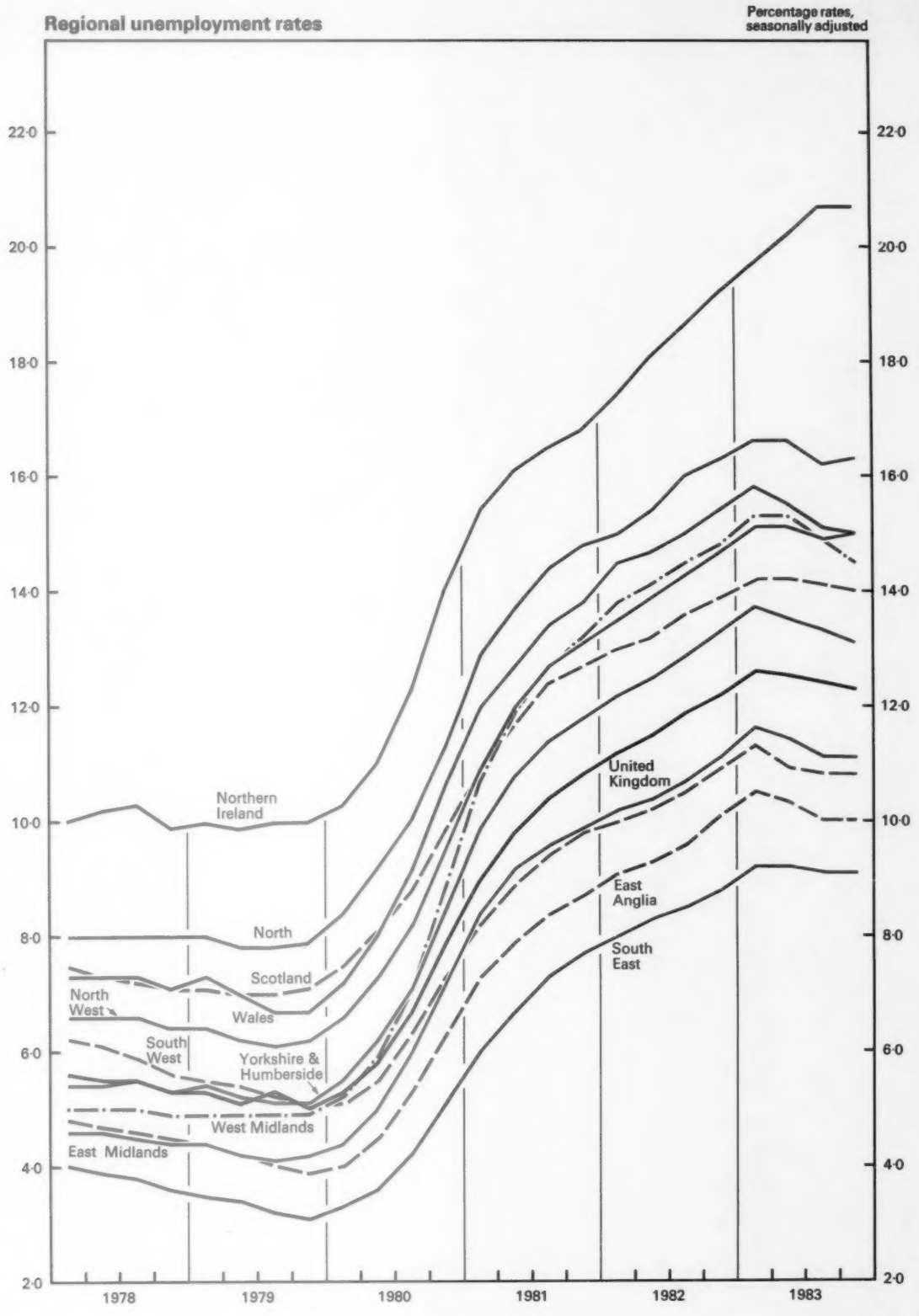
		North West	Wales	Scotland	Great Britain	Northern Ireland	United Kingdom
1977	3	6.7	7.2	7.4	5.6	9.8	5.7
	4	6.8	7.5	7.5	5.6	9.9	5.7
1978	1	6.6	7.3	7.5	5.5	10.0	5.6
	2	6.6	7.3	7.3	5.4	10.2	5.5
	3	6.6	7.3	7.2	5.4	10.3	5.5
	4	6.4	7.1	7.1	5.2	9.9	5.3
1979	1[2]	6.4	7.3	7.1	5.2	10.0	5.3
	2[2]	6.2	7.0	7.0	5.0	9.9	5.1
	3[2]	6.1	6.7	7.0	4.9	10.0	5.0
	4[2]	6.2	6.7	7.1	4.9	10.0	5.0
1980	1[2]	6.6	7.2	7.5	5.2	10.4	5.3
	2[2]	7.3	8.0	8.1	5.7	11.0	5.8
	3[2]	8.2	9.2	8.8	6.5	12.3	6.7
	4[2]	9.5	10.7	9.9	7.7	14.0	7.9
1981	1[2]	10.9	12.0	10.9	8.8	15.4	9.0
	2[2]	11.8	12.7	11.7	9.7	16.1	9.8
	3[2,3]	12.7	13.4	12.4	10.3	16.5	10.4
	4[2,3]	13.1	13.8	12.7	10.7	16.8	10.8
1982	1	13.5	14.5	13.0	11.1	17.4	11.2
	2	13.9	14.7	13.2	11.3	18.1	11.5
	3	14.3	15.0	13.6	11.7	18.6	11.9
	4	14.7	15.4	13.9	12.0	19.2	12.2
1983	1	15.1	15.8	14.2	12.4	19.7	12.6
	2[4]	15.1	15.5	14.2	12.3	20.2	12.5
	3	14.9	15.1	14.0	12.2	20.7	12.4
	4	15.0	15.0	14.0	12.1	20.7	12.3

[1] Numbers unemployed excluding school-leavers expressed as a percentage of the appropriate mid-year estimate of total employees (employed and unemployed).

[2] The seasonally adjusted series have been revised as described in the December 1982 *Employment Gazette*.

[3] The recorded unemployment figures for July to October 1981 are overstated by about 20,000 (net) as a result of industrial action at benefit offices. The seasonally adjusted totals for GB and UK have been reduced to allow for this. No adjustment has been made to other unemployment figures.

[4] From 1 April 1983, the figures reflect the effects of the provisions in the Budget for some men aged sixty and over who no longer have to sign on at an unemployment benefit office.

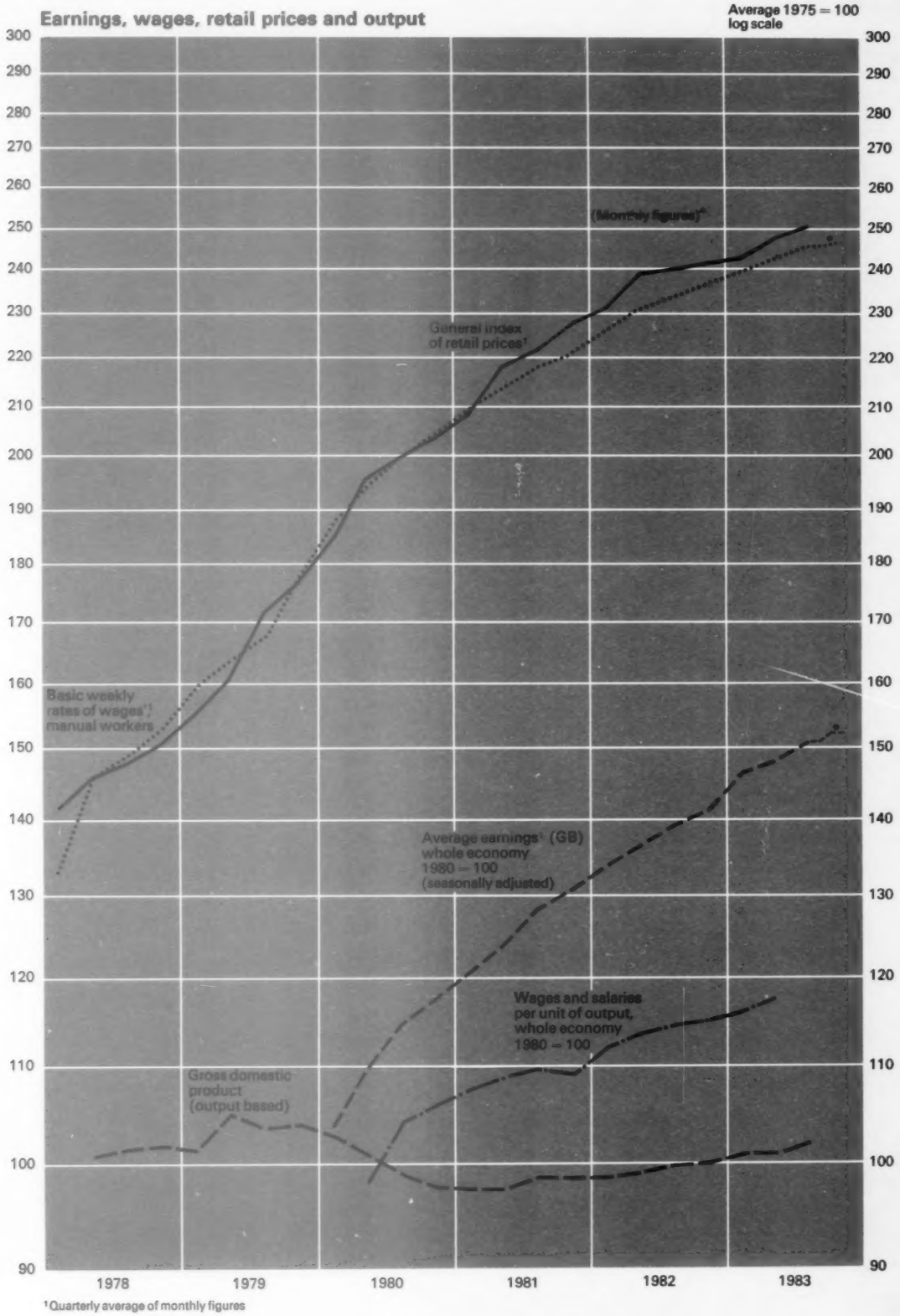

Regional unemployment rates
Percentage rates, seasonally adjusted
22·0
20·0
18·0
16·0
14·0
12·0
10·0
8·0
6·0
4·0
2·0
1978
1979
1980
1981
1982
1983
Northern Ireland
North
Scotland
North West
Wales
South West
Yorkshire & Humberside
West Midlands
East Midlands
United Kingdom
East Anglia
South East

Wage rates and earnings

	Unadjusted		Seasonally adjusted[1]							
	31 July 1972 = 100[2]		January 1980 = 100						1980 = 100	
	Basic weekly wage rates (manual workers)		Average earnings (GB)						Wages and salaries per unit of output	
	All industries and services	Manufacturing industry	Whole economy	*Percentage increase on year earlier*	Production industries[3]	*Percentage increase on year earlier*	Manufacturing industry[3]	*Percentage increase on year earlier*	Whole economy	Manufacturing industry[4]
1973	115.3	114.6	..	..	..	..	..	..	35.3	33.9
1974	138.0	134.3	..	..	..	..	..	..	42.8	40.3
1975	178.7	174.4	..	..	..	..	..	..	55.7	52.2
1976	213.2	209.0	..	..	..	..	..	..	61.3	57.8
1977	227.3	218.9	..	..	..	..	..	..	65.4	62.7
1978	259.3	258.8	..	..	..	..	..	..	72.6	71.1
1979	298.1	297.5	..	..	..	..	..	..	82.7	81.9
1980	351.8	348.5	111.4	..	109.3	..	109.1	..	100.0	100.0
1981	387.7	381.7	125.8	*12.9*	124.1	*13.5*	123.6	*13.3*	108.9	109.8
1982	414.3	404.1	137.6	*9.4*	138.2	*11.4*	137.4	*11.2*	114.0	115.5
1983	437.4	424.7	149.2	*8.4*	150.0	*8.5*	149.8	*9.0*		118.6
1980 *4*	366.6	362.3	117.7	..	114.5	..	114.3	..	105.9	107.4
1981 *1*	377.0	372.5	120.6	*16.4*	118.5	*15.6*	117.9	*15.4*	107.5	109.1
2	385.6	379.4	123.7	*13.1*	121.2	*12.2*	120.6	*11.9*	109.0	108.9
3	391.2	383.2	128.1	*11.6*	126.7	*12.8*	126.2	*12.6*	109.6	109.8
4	396.8	391.4	130.9	*11.2*	130.1	*13.6*	129.8	*13.6*	109.0	111.3
1982 *1*	404.5	397.6	133.9	*11.0*	134.0	*13.1*	133.1	*12.9*	112.1	113.4
2	413.0	401.8	136.4	*10.3*	136.9	*13.0*	136.4	*13.1*	113.6	115.0
3	417.3	404.5	139.0	*8.5*	139.3	*9.9*	138.5	*9.7*	114.5	115.7
4	422.7	412.3	141.2	*7.9*	142.6	*9.6*	141.7	*9.2*	115.1	117.6
1983 *1*	429.3	419.1	146.0	*9.0*	145.0	*8.2*	144.6	*8.6*	116.1	116.7
2	436.2	422.1	147.9	*8.4*	148.4	*8.4*	148.0	*8.5*	117.6	118.6
3	440.0	424.6	150.4	*8.2*	151.4	*8.7*	151.0	*9.0*	118.5	118.3
4	444.7	431.8	152.5	*8.0*	155.3	*8.9*	155.5	*9.7*		120.8
1981 *J*	390.7	382.3	125.8	*12.1*	124.8	*11.8*	124.2	*11.4*	..	108.9
A	391.2	383.1	128.9	*13.0*	127.3	*13.6*	126.9	*13.4*	..	110.6
S	391.6	384.1	129.5	*9.7*	127.9	*13.1*	127.4	*12.9*	..	109.9
O	393.0	386.2	130.2	*12.0*	129.9	*14.6*	129.4	*14.5*	..	110.2
N	398.7	394.0	130.8	*11.5*	130.0	*13.5*	129.9	*13.4*	..	110.8
D	398.8	394.0	131.7	*10.1*	130.5	*13.0*	130.2	*12.7*	..	112.8
1982 *J*	403.6	397.2	132.8	*10.9*	132.6	*13.0*	132.0	*13.3*	..	114.0
F	404.5	397.8	134.3	*11.3*	134.7	*13.5*	132.8	*12.4*	..	112.4
M	405.3	397.9	134.7	*11.0*	134.6	*12.7*	134.4	*13.0*	..	113.9
A	410.6	400.1	135.4	*10.4*	136.1	*13.7*	136.0	*14.1*	..	115.4
M	412.3	402.0	136.7	*10.6*	136.9	*13.6*	136.5	*13.8*	..	113.7
J	416.1	403.4	137.0	*9.8*	137.6	*11.4*	136.7	*11.5*	..	116.0
J	416.9	403.9	139.5	*10.9*	138.5	*11.0*	137.8	*11.0*	..	116.0
A	417.2	404.4	138.6	*7.5*	139.3	*9.4*	138.4	*9.1*	..	115.9
S	417.8	405.3	138.9	*7.3*	140.2	*9.6*	139.3	*9.3*	..	115.3
O	418.2	405.4	139.8	*7.4*	141.1	*8.6*	140.9	*8.9*	..	117.5
N	424.8	415.8	141.7	*8.3*	142.8	*9.8*	141.6	*9.0*	..	118.3
D	425.0	415.8	142.0	*7.8*	143.8	*10.2*	142.7	*9.6*	..	117.1
1983 *J*	428.6	418.8	144.5	*8.8*	144.6	*9.0*	144.0	*9.1*	..	114.9
F	429.2	419.1	147.2	*9.6*	145.2	*7.8*	144.8	*9.0*	..	117.7
M	430.2	419.4	146.3	*8.6*	145.3	*7.9*	145.0	*7.9*	..	117.4
A	434.2	420.7	147.0	*8.6*	148.5	*9.1*	148.1	*8.9*	..	119.2
M	435.4	422.2	148.6	*8.7*	148.4	*8.4*	148.2	*8.6*	..	118.4
J	438.9	423.5	148.2	*8.2*	148.2	*7.7*	147.8	*8.1*	..	118.3
J	439.6	424.3	150.3	*7.7*	150.0	*8.3*	149.7	*8.6*	..	117.0
A	439.9	424.7	150.2	*8.4*	151.3	*8.6*	150.8	*9.0*	..	118.6
S	440.5	424.8	150.7	*8.5*	153.0	*9.1*	152.4	*9.4*	..	119.4
O	441.2	425.0	152.0	*8.7*	155.4	*10.1*	154.4	*9.6*	..	120.5
N	447.0	436.2	152.1	*7.3*	154.7	*8.3*	155.6[5]	*9.9*	..	121.5
D	447.0	436.2	153.4	*8.0*	155.8	*8.3*	156.6	*9.7*	..	120.4
1984 *J*			154.7[5]	*7.1*[5]	156.2[5]	*8.0*[5]	157.2[5]	*9.2*[5]	..	120.0

[1] The seasonal adjustment factors currently used are based on data up to December 1982.
[2] Before July 1972 the series was based on 31 January 1956 = 100. Figures before July 1972 have therefore been linked.
[3] Revised definition.
[4] This index, based on the monthly indices of average earnings, employment and output adjusted for movements in stocks, now relates to individual months, whereas in the past it has related to a centred 3 month average and has not been stock adjusted.
[5] Provisional.

Calculation of indices of basic weekly wage rates will cease after December 1983

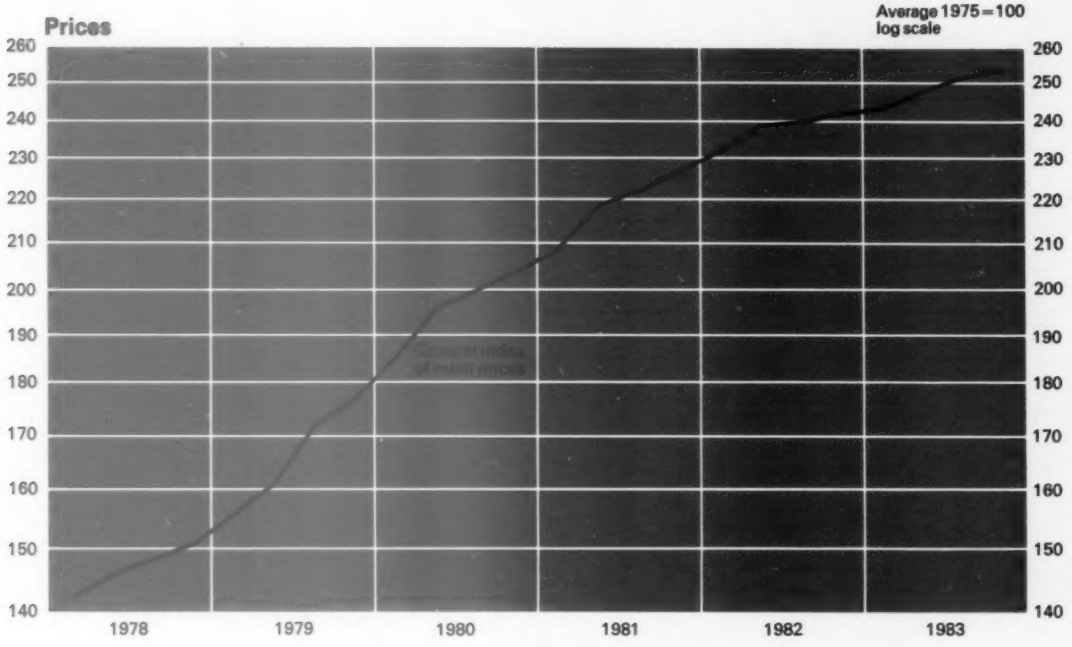


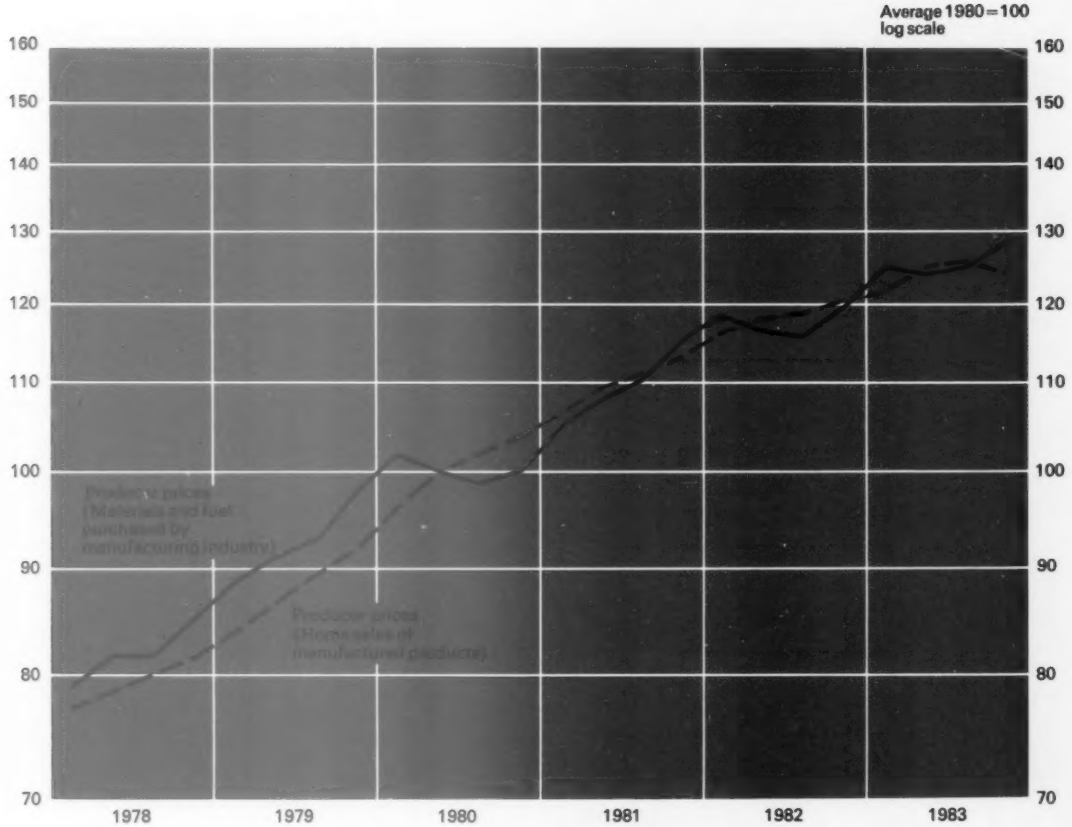
[1] Quarterly average of monthly figures

Prices

	Unadjusted										
	Average 1980 = 100		Average 1975 = 100								Average 1980 = 100p
	Producer price index		General index of retail prices						Pensioner price index[1]		
		Output	All items				All items other than seasonal food				
	Materials and fuel purchased by manufacturing industry	All manufactured products — Home sales	Index	*Percentage increase on year earlier*	Total food	Total non-food	Index	*Percentage increase on year earlier*	One person household	Two person household	Purchasing power of the pound[2]
1973	..	..	69.4	*9.2*	67.5	70.1	69.4	*8.3*	68.4	68.7	282
1974	49.1	42.6	80.5	*16.1*	79.6	80.8	80.5	*16.0*	79.5	79.8	243
1975	54.9	52.4	100.0	*24.2*	100.0	100.0	100.0	*24.2*	100.0	100.0	196
1976	68.4	60.9	116.5	*16.5*	120.0	115.6	115.8	*15.8*	119.1	118.8	168
1977	78.9	72.0	135.0	*15.8*	142.8	132.8	134.3	*16.0*	139.1	138.7	145
1978	81.6	79.1	146.2	*8.3*	152.9	144.3	146.5	*9.0*	150.4	149.8	134
1979	92.2	87.7	165.8	*13.4*	171.3	164.3	165.9	*13.3*	168.0	167.6	118
1980	100.0	100.0	195.6	*18.0*	191.9	196.5	196.3	*18.4*	195.7	194.6	100
1981	109.2	109.5	218.9	*11.9*	208.2	221.6	219.8	*11.9*	218.0	217.2	89
1982	117.2	118.0	237.7	*8.6*	224.5	241.3	238.4	*8.5*	238.3	236.8	82
1983	125.4[3]	124.4									79
1980 *1*	101.6	95.8	184.6	*19.1*	185.7	184.1	184.8	*19.5*	185.7	184.9	106
2	100.0	99.7	195.3	*21.5*	192.0	196.1	195.8	*22.3*	194.1	193.5	100
3	98.4	101.5	199.4	*16.4*	194.5	200.7	200.4	*16.5*	199.2	197.9	98
4	99.9	102.9	203.2	*15.3*	195.5	205.1	204.3	*15.6*	203.7	201.9	96
1981 *1*	104.2	105.7	208.0	*12.7*	201.6	209.5	209.0	*13.1*	209.8	208.2	94
2	107.7	109.1	218.1	*11.7*	207.8	220.8	218.9	*11.8*	216.4	215.7	90
3	110.1	110.5	221.9	*11.2*	209.2	225.2	223.0	*11.3*	220.1	219.6	80
4	114.8	112.8	227.4	*11.9*	214.2	230.8	228.2	*11.7*	225.6	225.1	86
1982 *1*	118.0	115.7	231.1	*11.1*	223.3	233.1	231.2	*10.7*	232.7	231.6	85
2	115.9	117.5	238.5	*9.4*	228.1	241.3	238.2	*8.9*	238.8	237.3	82
3	115.4	118.7	239.5	*8.0*	222.8	244.0	240.9	*8.0*	239.3	237.6	82
4	119.4	120.1	241.4	*6.2*	223.9	246.2	243.1	*6.5*	242.5	240.8	81
1983 *1*	124.5	121.7	242.6	*4.9*	226.6	247.0	243.9	*5.5*	245.3	243.3	81
2	123.6	124.2	247.6	*3.8*	229.8	252.4	248.6	*4.4*	247.6	246.3	79
3	124.7	125.1	250.7	*4.6*	232.8	255.6	251.6	*4.4*	249.6	248.4	78
4	128.4[4]	123.7[4]	253.6	*5.0*	237.4	258.0	253.9	*4.4*	253.6	252.4	77
1982 *J*	118.0	114.8	230.4	*12.0*	222.1	232.5	230.6	*11.5*	..	..	85
F	118.6	115.7	230.5	*11.0*	223.0	232.4	230.6	*10.6*	..	..	85
M	117.4	116.5	232.5	*10.4*	224.9	234.4	232.5	*9.9*	..	..	84
A	116.2	117.3	237.2	*9.4*	227.0	239.8	237.0	*8.9*	..	..	82
M	115.9	117.7	238.9	*9.5*	229.3	241.4	238.3	*8.9*	..	..	82
J	115.6	117.6	239.5	*9.2*	228.1	242.6	239.4	*8.8*	..	..	82
J	115.8	118.3	239.6	*8.7*	224.7	243.5	240.3	*8.6*	..	..	82
A	115.0	118.6	239.7	*8.0*	221.7	244.4	241.2	*8.0*	..	..	82
S	115.4	119.3	239.5	*7.3*	222.0	244.1	241.2	*7.5*	..	..	82
O	116.5	119.7	240.7	*6.8*	222.4	245.5	242.5	*7.2*	..	..	81
N	119.0	120.0	241.9	*6.3*	224.2	246.6	243.7	*6.6*	..	..	81
D	122.8	120.6	241.5	*5.4*	225.1	245.5	243.1	*5.8*	..	..	81
1983 *J*	124.1	121.2	241.8	*4.9*	226.4	245.8	243.2	*5.5*	..	..	81
F	125.4	121.7	242.8	*5.3*	226.6	247.0	244.1	*5.8*	..	..	81
M	124.2	122.4	243.2	*4.6*	226.9	247.6	244.6	*5.2*	..	..	80
A	123.1	123.6	246.7	*4.0*	228.5	251.5	247.8	*4.6*	..	..	79
M	123.8	124.3	247.7	*3.7*	229.3	252.5	248.9	*4.4*	..	..	79
J	124.0	124.6	248.3	*3.7*	231.7	252.7	249.2	*4.1*	..	..	79
J	123.2	124.7	249.6	*4.2*	231.6	254.5	250.7	*4.3*	..	..	78
A	124.6	124.9	250.7	*4.6*	232.1	255.8	251.8	*4.4*	..	..	78
S	126.5	125.7	251.9	*5.1*	234.8	256.6	252.4	*4.6*	..	..	78
O	126.2	126.2	252.7	*5.0*	235.9	257.3	253.2	*4.4*	..	..	77
N	127.4	126.8	253.6	*4.8*	237.1	258.1	254.0	*4.2*	..	..	77
D	131.7[4]	127.3	254.3	*5.3*	238.9	258.4	254.4	*4.7*	..	..	77
1984 *J*	133.6[4]	128.1[4]	254.2	*5.1*	239.9	258.1	254.3	*4.6*	..	..	77
F	134.1[4]	128.9[4]	255.2	*5.1*	241.1	259.1	255.2	*4.5*	..	..	77

[1] All items except housing.
[2] Movements in the purchasing power of the pound are based on movements in the general index of retail prices.
[3] Estimated.
[4] Provisional.


Prices
Average 1975 = 100
log scale
260
250
240
230
220
210
200
190
180
170
160
150
140
General index of retail prices
1978
1979
1980
1981
1982
1983

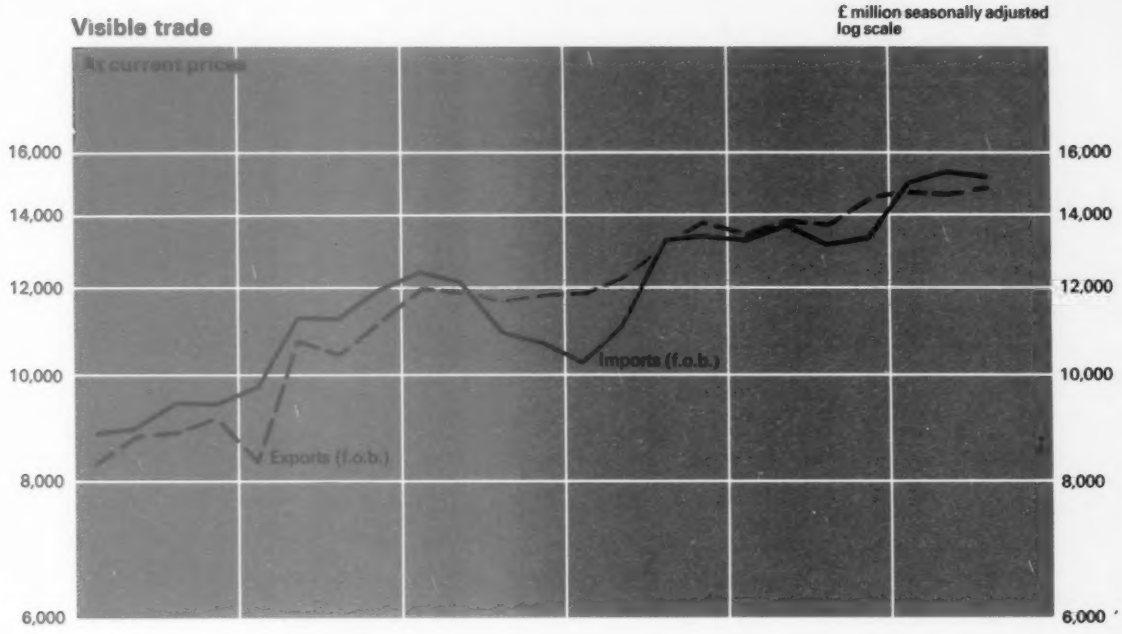

Average 1980 = 100
log scale
160
150
140
130
120
110
100
90
80
70
Producers' prices (Materials and fuel purchased by manufacturing industry)
Producers' prices (Home sales of manufactured products)
1978
1979
1980
1981
1982
1983

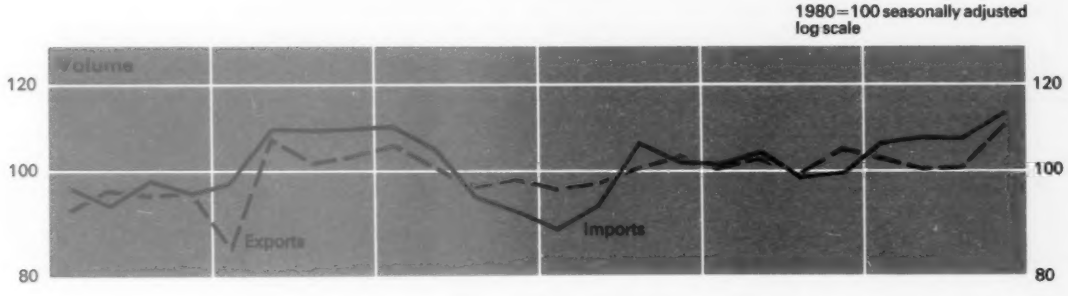
Visible trade

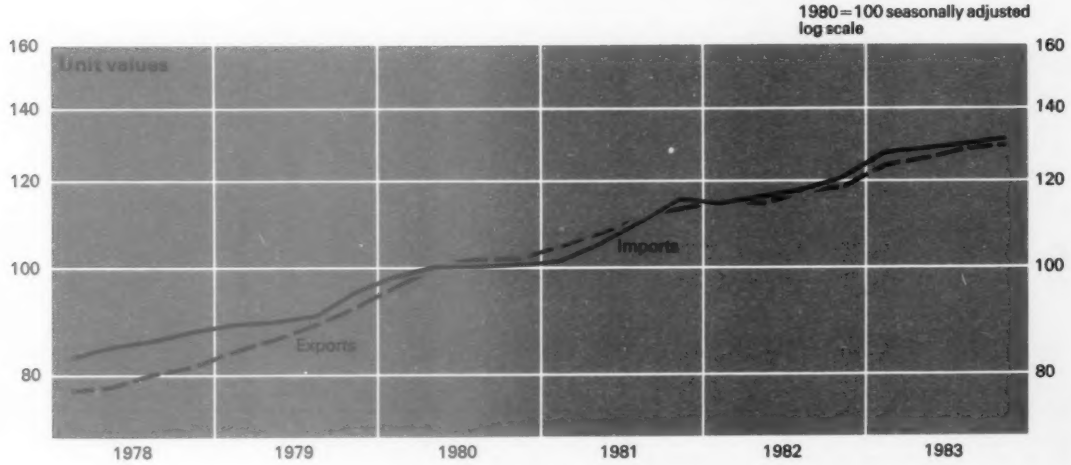
		Seasonally adjusted		Unadjusted		
		1980 = 100		1980 = 100		
		Volume indices[1]		Unit value indices[1]		
		Exports	Imports	Exports	Imports	Terms of trade[2]
1973		75.6	91.9	32.6	34.8	93.7
1974		81.0	92.7	41.5	50.9	81.5
1975		77.8	84.7	50.9	58.0	87.6†
1976		85.4	89.7†	60.8	70.9	85.7
1977		92.1	91.3	72.0	82.1	87.7
1978		94.5†	95.5	79.1	85.2	92.7
1979		99.1	105.7	87.6	90.9	96.4
1980		100.0	100.0	100.0	100.0	100.0
1981		99.2	96.1	108.8	108.1	100.7
1982		101.5	100.7	116.7	117.9	99.0
1983		102.3	107.6	126.6	128.6	98.4
1981	*1*	96.5	87.2	104.0	101.6	102.4
	2	97.8	91.9	107.1	105.2	101.8
	3	100.7	104.3	110.7	110.3	100.4
	4	102.0	101.1	113.6	115.3	98.5
1982	*1*	100.7	100.4	114.7	115.2	99.6
	2	103.2	104.0	114.8	116.7	98.3
	3	98.9	98.8	117.7	118.3	99.4
	4	103.1	99.5	119.6	121.4	98.5
1983	*1*	102.3	104.5	123.6	126.3	97.9
	2	100.3	106.6	125.6	128.1	98.1
	3	99.3	106.6	127.9	128.9	99.2
	4	107.4	112.7	129.2	131.0	98.6
1981	*J*	100.1	85.9	103.1	100.2	102.9
	F	94.9	90.1	103.5	101.4	102.1
	M	94.5	85.6	105.5	103.2	102.2
	A	98.8	86.5	106.2	104.2	102.0
	M	97.1	93.3	107.2	104.8	102.2
	J	97.3	96.0	107.8	106.5	101.3
	J	99.8	100.8	109.3	107.9	101.3
	A	102.7	112.0	111.3	109.9	101.3
	S	99.6	100.0	111.6	113.1	98.7
	O	103.8	98.0	113.0	115.4	97.9
	N	100.9	105.8	113.8	115.3	98.7
	D	101.3	99.7	113.9	115.1	99.0
1982	*J*	98.5	99.3	114.5	114.4	100.1
	F	100.3	96.8	115.2	115.6	99.6
	M	103.5	105.1	114.5	115.5	99.1
	A	105.2	104.7	114.3	116.2	98.3
	M	103.3	105.6	114.4	116.8	98.0
	J	101.1	101.7	115.5	117.1	98.7
	J	99.3	98.8	116.6	117.5	99.2
	A	95.3	96.6	117.8	118.3	99.6
	S	102.2	100.8	118.6	119.2	99.5
	O	100.8	99.4	118.7	121.0	98.1
	N	104.8	98.7	119.0	120.9	98.4
	D	103.8	100.4	121.1	122.3	99.0
1983	*J*	97.6	105.8	122.6	124.1	98.7
	F	102.7	104.7	123.6	126.3	97.9
	M	106.6	103.0	124.6	128.5	97.0
	A	98.5	105.0	125.9	129.2	97.5
	M	98.6	109.3	125.2	128.2	97.7
	J	103.9	105.4	125.7	126.9	99.1
	J	96.9	106.2	126.8	128.1	99.0
	A	98.9	106.5	128.2	129.3	99.2
	S	102.0	107.2	128.7	129.3	99.5
	O	103.2	118.0	128.4	130.3	98.5
	N	104.8	108.2	128.9	130.7	98.7
	D	114.3	112.1	130.2	131.9	98.7
1984	*J*	102.2	112.6	132.2	134.7	98.2

[1] On a balance of payments basis.
[2] Unit value index for exports expressed as a percentage of unit value index for imports.

Visible trade







Measures of UK competitiveness in trade in manufactures

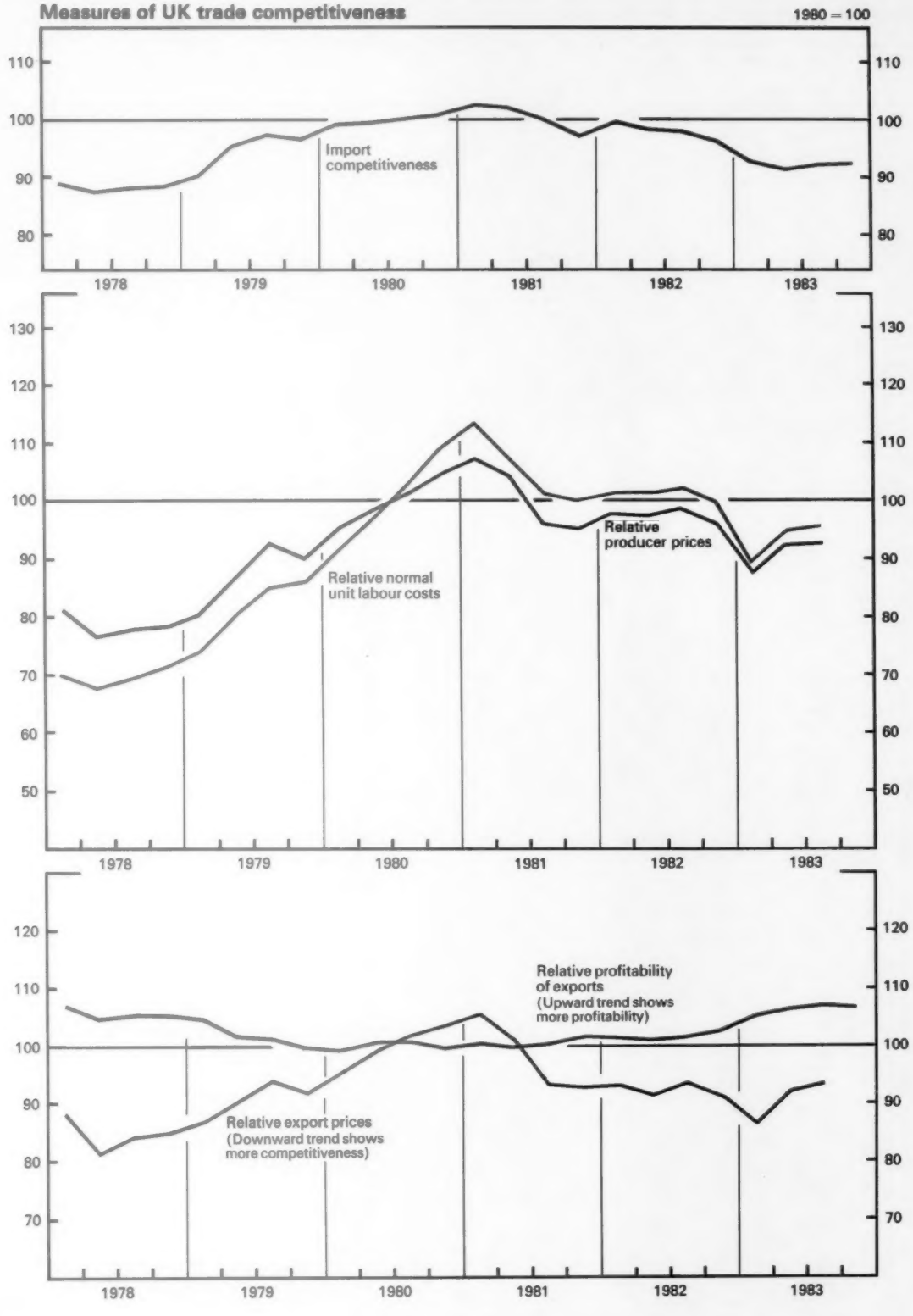
1980 = 100

	Summary measures[1]						Export unit value index[2]				
	Relative export prices[3]	Relative producer prices[3]	IMF index of relative unit labour costs[2] Actual	Normalised	Import price competitiveness[4]	Relative profitability of exports[4]	United Kingdom	United States	Japan	France	Federal Republic of Germany
1978	84.5	78.8	68.2	69.7	86.1†	106.5†	68.4	79	87	78	84
1979	90.4	87.4	80.9	81.4	93.1	102.5	82.6	91	94	90	94
1980	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100	100	100	100
1981	98.1	100.8	101.4	105.8†	99.3	100.5	93.1	112	106	87	86
1982	92.7†	97.7	94.6	101.3	97.2	102.4	86.4†	118	101	83	85
1983	..	..	..	..	92.5	106.1	81.7	..	..	..	..
1981 2	100.9	104.5	103.6	107.3†	102.2	99.7	94.2	111	105	85	83
3	93.3	96.0	96.8	101.5	99.4	100.7	85.6	114	102	84	79
4	92.7†	95.3	94.6	100.4	96.3	102.0	89.8	117	107	87	88
1982 1	93.4	98.0	96.0	101.5	98.5	102.0	89.5	120	105	87	85
2	91.9	97.8	95.1	101.4	97.5	101.7	86.9	119	102	86	86
3	94.0	98.8	94.7	102.3	97.0	102.6	85.9	118	98	79	83
4	91.5	96.1	92.7	100.1	95.9	103.2	83.2	119	95	80	83
1983 1	85.8	87.4	81.7	89.7	92.7	105.2	80.2	121	98	83	86
2	91.6	92.4	86.9	94.8	91.8	106.0	83.3	120	97	79	84
3	93.0	92.8	85.9	95.5	92.9	106.6	82.5				
4					92.6	106.5	80.9				
	Percentage change, quarter on corresponding quarter of previous year.										
1981 2	+ 1.9	+ 5.8	+ 6.7	+10.8	+2.8	−0.8	− 4.1	+13	+ 6	− 14	− 16
3	− 8.4	− 4.9	− 4.9	− 0.7	−1.0	+0.2	− 17.7	+12	+ 1	− 19	− 22
4	− 10.4	− 9.0	− 12.5	− 8.3	−5.6	+2.7	− 13.8	+11	+ 1	− 12	− 10
1982 1	− 11.4	− 8.6	− 13.1	− 10.8	−1.1	+2.3	− 13.0	+11	− 4	− 6	− 5
2	− 8.9	− 6.4	− 8.2	− 5.5	−4.6	+2.0	− 7.8	+ 8	− 3	+ 1	+ 4
3	+ 0.7	+ 2.9	− 2.2	+ 0.8	−2.4	+1.9	+ 0.4	+ 4	− 4	− 6	+ 5
4	− 1.3	+ 0.8	− 2.0	− 0.3	−0.4	+1.2	− 7.3	+ 2	−11	− 7	− 5
1983 1	− 8.2	− 10.8	− 14.9	− 11.6	−5.9	+3.1	− 10.4	+ 1	− 7	− 4	+ 1
2	− 0.3	− 5.5	− 8.6	− 6.5	−5.8	+4.2	− 4.1	+ 1	− 5	− 8	− 2
3	− 1.0	− 6.1	− 9.3	− 6.6	−4.2	+3.9	− 4.0				
4					−3.4	+3.2	− 2.8				

	Producer price index[2]					Unit labour costs index[2]				
	United Kingdom	United States	Japan	France	Federal Republic of Germany	United Kingdom[5]	United States	Japan	France	Federal Republic of Germany
1978	63.3	78.1	89.1	72.5	80.4	59	84	110	76	83
1979	78.6	87.5	90.2	85.5	92.2	75	90	103	88	92
1980	100.0	100.0	100.0	100.0	100.0	100	100	100	100	100
1981	95.2	109.3	103.6	87.9	86.8	96	106	107	88	85
1982	88.7	112.0	92.7	81.1	85.5	87	116	102	80	82
1983						77				
1981 3	87.2	110.3	99.0	83.8	81.6	87	107	102	83	78
4	91.3	110.9	102.4	88.2	89.7	90	111	104	88	87
1982 1	91.8	111.6	98.6	85.6	87.3	90	115	105	86	83
2	89.8	111.5	94.2	84.0	86.9	88	116	103	83	83
3	88.0	112.4	89.2	77.2	84.0	86	116	98	77	81
4	85.1	112.5	89.0	77.5	83.7	83	117	100	75	81
1983 1	80.2	112.3	96.7	81.2	86.7	77	118	111	79	82
2	83.0	112.5	95.4	76.9	84.3	79	116	109	74	79
3	81.2	113.6	93.3	73.7	79.9	77	113	105	69	74
4						76				
	Percentage change, quarter on corresponding quarter of previous year.									
1981 3	−16.0	+ 8.9	− 5.1	−19.5	−20.7	−19	+ 4	− 3	−21	−25
4	−13.5	+ 7.3	− 5.5	−11.7	− 7.4	−18	+ 9	− 5	−13	−12
1982 1	−12.5	+ 4.6	−10.2	− 8.5	− 3.9	−17	+12	− 7	−10	− 7
2	− 8.0	+ 1.9	− 8.8	− 2.5	+ 1.9	−10	+10	− 5	− 5	− 2
3	+ 0.9	+ 1.9	− 9.9	− 7.8	+ 3.1	− 1	+ 8	− 4	− 7	+ 4
4	− 6.7	+ 1.4	−13.1	−12.1	− 6.7	− 7	+ 5	− 3	−15	− 6
1983 1	−12.7	+ 0.6	− 1.9	− 5.1	− 0.7	−15	+ 3	+ 5	− 8	− 1
2	− 7.6	+ 0.9	+ 1.3	− 8.5	− 3.0	−10	—	+ 6	−11	− 4
3	− 7.8	+ 1.1	+ 4.6	− 4.6	− 5.0	−10	− 3	+ 7	−10	− 9
4						− 9				

[1] The summary measures of competitiveness were described in *Economic Trends* No. 304, February 1979. Revised measures of import price competitiveness and relative profitability of exports were described in an article in *Economic Trends*, No. 319, May 1980—see footnote [3].
[2] All the indices are in terms of US dollars.
[3] Figures are now base weighted using 1980 export data. Downwards movements indicate greater competitiveness.
[4] Excludes erratics (ships, North Sea installations, aircraft, precious stones and silver bullion).
[5] See footnote [3] to page 40.

Measures of UK trade competitiveness



Balance of payments: current account

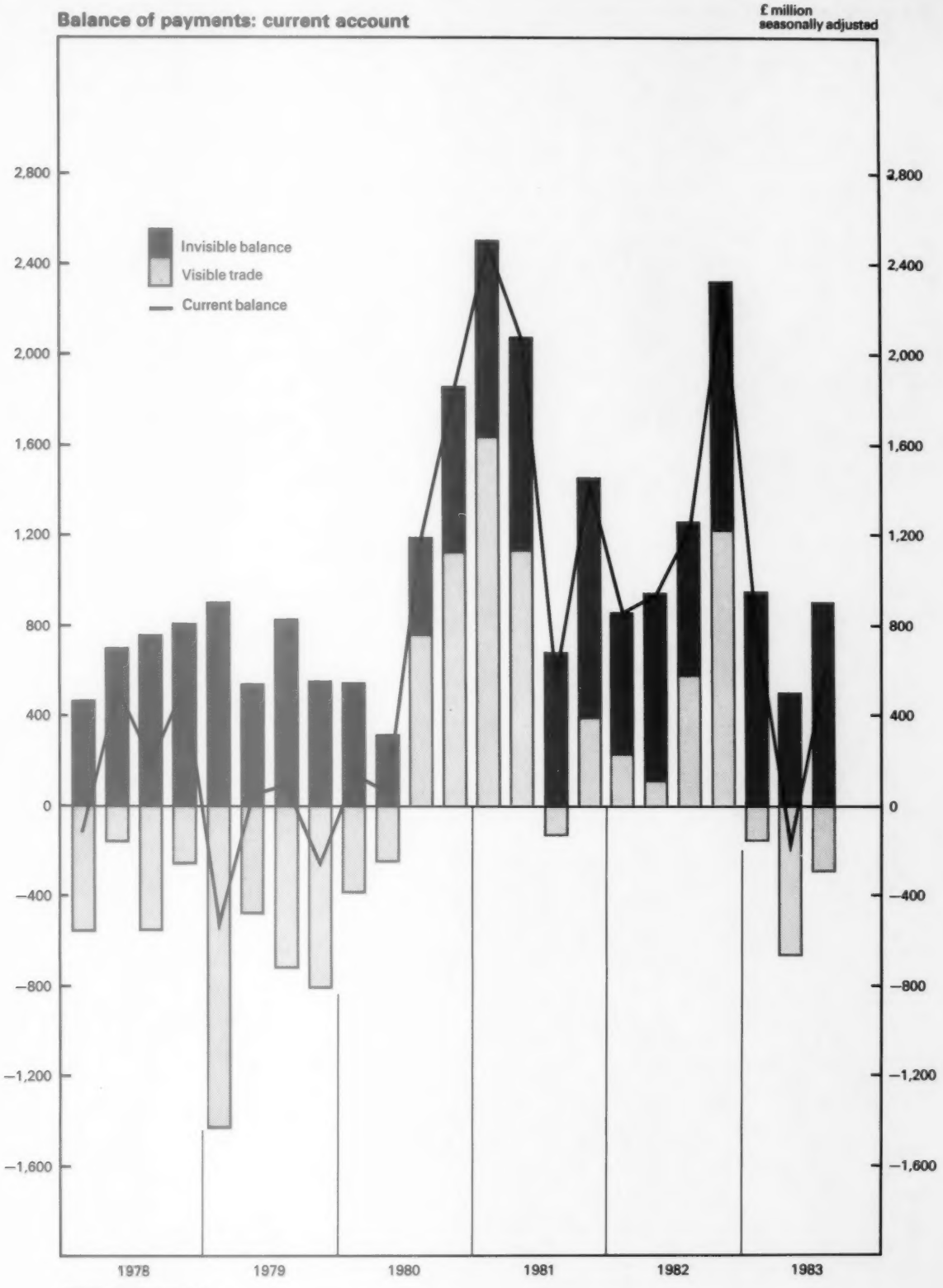
£ million, seasonally adjusted

	Visible trade			Invisibles						
						Balances				
	Exports (f.o.b.)	Imports (f.o.b.)	Balance	Credits	Debits	Total	Services	IPD	Transfers	Current balance
1972	9 437	10 186	− 748	6 300	5 329	+ 971	+ 701	+ 538	− 268	+ 223
1973	11 937	14 523	−2 586	8 506	6 899	+1 607	+ 786	+1 257	− 436	− 979
1974	16 394	21 745	−5 351	10 503	8 430	+2 073	+1 075	+1 415	− 417	−3 278
1975	19 330	22 663	−3 333	11 457	9 637	+1 820	+1 515	+ 773	− 468	−1 513
1976	25 191	29 120	−3 929	15 039	11 946	+3 093	+2 503	+1 365	− 775	− 836
1977	31 728	34 012	−2 284	16 847	14 509	+2 338	+3 338	+ 116	−1 116	+ 54
1978	35 063	36 605	−1 542	19 130	16 430	+2 700	+3 816	+ 661	−1 777	+1 158
1979	40 687	44 136	−3 449	23 832	20 936	+2 896	+4 071	+1 090	−2 265	− 553
1980	47 422	45 909	+1 513	25 962	23 825	+2 137	+4 267	− 51	−2 079	+3 650
1981	50 977	47 325	+3 652	29 730	26 110	+3 620	+4 249	+1 338	−1 967	+7 272
1982	56 565	53 181	+2 384	31 742	28 575	+3 167	+3 874	+1 402	−2 109	+5 551
1983	60 658	61 158	− 500	33 637	31 088	+2 549	+4 389	+ 480	−2 320	+2 049
1978 *1*	8 282	8 844	− 562	4 463	4 008	+ 455	+ 914	+ 72	− 531	− 107
2	8 790	8 949	− 159	4 669	3 975	+ 694	+ 845	+ 237	− 388	+ 535
3	8 854	9 411	− 557	4 947	4 197	+ 750	+1 027	+ 185	− 462	+ 193
4	9 137	9 401	− 264	5 051	4 250	+ 801	+1 030	+ 167	− 396	+ 537
1979 *1*	8 313	9 746	−1 433	5 545	4 628	+ 917	+1 013	+ 410	− 506	− 516
2	10 759	11 238	− 479	5 674	5 116	+ 558	+ 954	+ 107	− 503	+ 79
3	10 497	11 220	− 723	6 248	5 401	+ 847	+1 056	+ 401	− 610	+ 124
4	11 118	11 932	− 814	6 365	5 791	+ 574	+1 048	+ 172	− 646	− 240
1980 *1*	11 998	12 402	− 404	6 593	6 010	+ 583	+1 101	− 56	− 462	+ 179
2	11 916	12 163	− 247	6 577	6 230	+ 347	+1 067	− 126	− 594	+ 100
3	11 694	10 805	+ 889	6 251	5 799	+ 452	+1 015	+ 16	− 579	+1 341
4	11 814	10 539	+1 275	6 541	5 786	+ 755	+1 084	+ 115	− 444	+2 030
1981 *1*	11 868	10 054	+1 814	6 938	6 054	+ 884	+1 129	+ 259	− 504	+2 698
2	12 289	10 956	+1 333	7 078	6 115	+ 963	+1 080	+ 410	− 527	+2 296
3	13 157	13 067	+ 90	7 585	6 886	+ 699	+1 014	+ 322	− 637	+ 789
4	13 663	13 248	+ 415	8 129	7 055	+1 074	+1 026	+ 347	− 299	+1 489
1982 *1*	13 519	13 048	+ 471	7 589	6 953	+ 636	+1 096	+ 29	− 489	+1 107
2	13 878	13 667	+ 211	7 943	7 127	+ 816	+1 052	+ 385	− 621	+1 027
3	13 688	13 100	+ 588	7 885	7 236	+ 649	+ 807	+ 398	− 556	+1 237
4	14 480	13 366	+1 114	8 325	7 259	+1 066	+ 919	+ 590	− 443	+2 180
1983 *1*	14 819	14 616	+ 203	8 231	7 340	+ 891	+1 121	+ 291	− 521	+1 094
2	14 752	15 212	− 460	8 224	7 801	+ 423	+1 273	− 172	− 678	− 37
3	14 862	15 110	− 248	8 586	7 685	+ 901	+ 959	+ 299	− 357	+ 653
4	16 225	16 220	+ 5	8 596	8 262	+ 334	+1 036	+ 62	− 764	+ 339
1982 *J*	4 422	4 304	+ 117	..	..	+ 212[1]	..	..	..	+ 329
F	4 532	4 224	+ 308	..	..	+ 212[1]	..	..	..	+ 520
M	4 566	4 520	+ 46	..	..	+ 212[1]	..	..	..	+ 258
A	4 708	4 559	+ 149	..	..	+ 272[1]	..	..	..	+ 421
M	4 626	4 616	+ 10	..	..	+ 272[1]	..	..	..	+ 282
J	4 545	4 493	+ 52	..	..	+ 272[1]	..	..	..	+ 324
J	4 551	4 341	+ 210	..	..	+ 216[1]	..	..	..	+ 426
A	4 433	4 296	+ 137	..	..	+ 217[1]	..	..	..	+ 354
S	4 703	4 463	+ 241	..	..	+ 216[1]	..	..	..	+ 457
O	4 683	4 449	+ 234	..	..	+ 355[1]	..	..	..	+ 589
N	4 863	4 389	+ 474	..	..	+ 356[1]	..	..	..	+ 830
D	4 934	4 528	+ 406	..	..	+ 355[1]	..	..	..	+ 761
1983 *J*	4 731	4 897	− 166	..	..	+ 297[1]	..	..	..	+ 131
F	4 934	4 849	+ 85	..	..	+ 297[1]	..	..	..	+ 382
M	5 154	4 870	+ 284	..	..	+ 297[1]	..	..	..	+ 581
A	4 866	5 048	− 182	..	..	+ 141[1]	..	..	..	− 41
M	4 811	5 248	− 437	..	..	+ 141[1]	..	..	..	− 296
J	5 075	4 916	+ 159	..	..	+ 141[1]	..	..	..	+ 300
J	4 786	5 007	− 222	..	..	+ 300[1]	..	..	..	+ 78
A	4 934	5 012	− 78	..	..	+ 301[1]	..	..	..	+ 223
S	5 142	5 091	+ 52	..	..	+ 300[1]	..	..	..	+ 352
O	5 164	5 586	− 423	..	..	+ 111[1]	..	..	..	− 312
N	5 266	5 196	+ 171	..	..	+ 112[1]	..	..	..	+ 183
D	5 795	5 438	+ 358	..	..	+ 111[1]	..	..	..	+ 469
1984 *J*	5 224	5 563	− 339	..	..	+ 210[2]	..	..	..	− 129

[1] One third of the appropriate calendar quarter's estimate; monthly figures of invisibles are not available.

[2] This figure is one third of a quarterly projection and is subject to revision as the relevant statistical information becomes available.

Balance of payments: current account



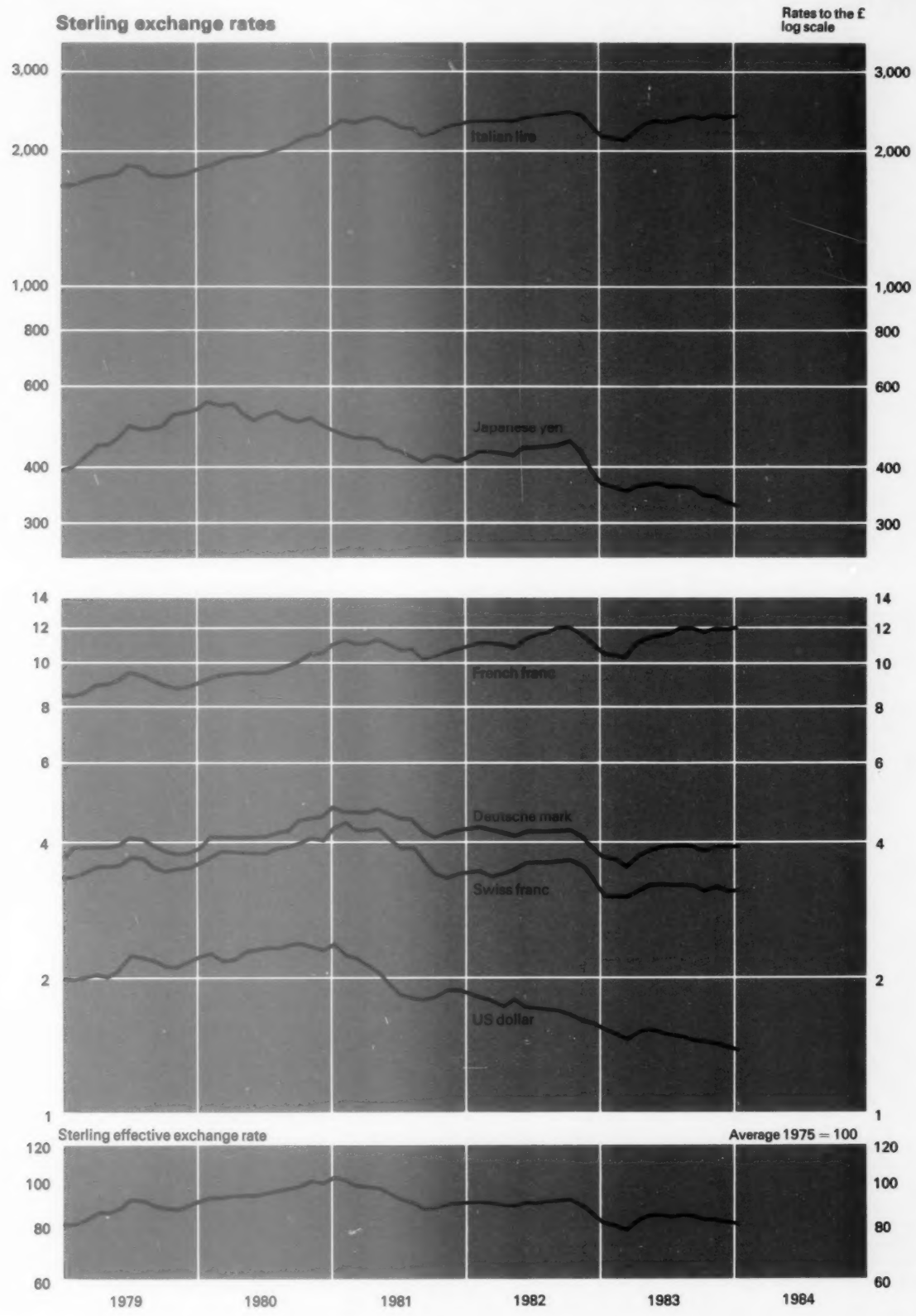
*See footnote [1] on page 48

Sterling exchange rates and UK official reserves

		Sterling exchange rate against major currencies[1]						$ million	Average 1975 = 100
		Japanese yen	US dollar	Swiss franc	French franc	Italian lira	Deutsche-mark	UK official reserves[2] (at end of period)	Sterling effective exchange rate
1974		682.7	2.340	6.965	11.25	1 522	6.049	6 789	108.3
1975		658.1	2.220	5.723	9.50	1 447	5.447	5 429	100.0
1976		535.4	1.805	4.521	8.61	1 497	4.552	4 129	85.7
1977		467.7	1.746	4.189	8.57	1 540	4.050	20 557	81.2
1978		402.7	1.920	3.423	8.64	1 628	3.850	15 694	81.5
1979		465.6	2.122	3.525	9.03	1 762	3.887	22 538	87.3
1980		525.6	2.328	3.894	9.82	1 992	4.227	27 476	96.1
1981		444.6	2.025	3.969	10.94	2 287	4.556	23 347	95.3
1982		435.2	1.749	3.547	11.48	2 364	4.243	16 997	90.7
1983		359.9	1.516	3.182	11.55	2 302	3.870	17 817	83.3
1980	*2*	528.6	2.286	3.833	9.61	1 942	4.132	28 172	94.5
	3	523.2	2.382	3.885	9.81	2 008	4.226	27 637	96.7
	4	502.2	2.387	4.115	10.53	2 159	4.551	27 476	100.2
1981	*1*	474.7	2.309	4.376	11.21	2 311	4.814	28 212	101.8
	2	456.5	2.077	4.024	11.25	2 354	4.728	25 631	97.8
	3	425.7	1.839	3.852	10.66	2 234	4.469	23 696	90.6
	4	422.6	1.883	3.441	10.64	2 253	4.226	23 347	89.7
1982	*1*	431.7	1.845	3.459	11.07	2 331	4.331	18 969	91.2
	2	434.3	1.779	3.548	11.18	2 350	4.232	17 703	90.3
	3	446.4	1.725	3.644	11.98	2 404	4.280	18 299	91.5
	4	428.2	1.650	3.532	11.68	2 369	4.129	16 997	89.1
1983	*1*	360.5	1.530	3.085	10.54	2 143	3.684	17 337	80.5
	2	369.2	1.555	3.227	11.62	2 298	3.867	17 714	84.3
	3	363.8	1.509	3.242	12.02	2 376	3.990	17 902	84.9
	4	344.3	1.471	3.174	12.00	2 387	3.936	17 817	83.2
1981	*A*	467.9	2.179	4.292	11.13	2 345	4.707	28 066	99.2
	M	461.0	2.090	4.312	11.47	2 386	4.793	26 487	98.8
	J	442.3	1.974	4.090	11.16	2 333	4.691	25 631	95.4
	J	435.2	1.876	3.932	10.87	2 278	4.577	24 568	92.5
	A	425.2	1.821	3.953	10.89	2 267	4.558	24 511	91.2
	S	416.8	1.817	3.680	10.25	2 159	4.279	23 696	88.1
	O	426.4	1.843	3.467	10.36	2 196	4.145	23 316	88.2
	N	424.8	1.904	3.398	10.69	2 267	4.237	23 463	90.1
	D	416.5	1.905	3.458	10.89	2 300	4.301	23 347	90.7
1982	*J*	423.8	1.887	3.477	10.99	2 317	4.326	23 225	91.2
	F	435.1	1.847	3.497	11.12	2 338	4.372	23 373	91.5
	M	435.6	1.807	3.411	11.10	2 337	4.299	18 969	90.8
	A	431.9	1.772	3.472	11.05	2 339	4.242	18 159	90.0
	M	428.8	1.812	3.528	10.89	2 321	4.183	17 820	89.9
	J	441.2	1.758	3.635	11.54	2 385	4.265	17 703	90.9
	J	442.1	1.735	3.635	11.89	2 397	4.277	17 943	91.2
	A	446.6	1.727	3.635	11.94	2 400	4.276	18 113	91.5
	S	450.4	1.714	3.662	12.11	2 415	4.288	18 299	91.7
	O	460.1	1.698	3.683	12.13	2 442	4.293	18 493	92.5
	N	432.0	1.633	3.586	11.79	2 400	4.173	18 006	89.5
	D	392.4	1.619	3.324	11.11	2 265	3.919	16 997	85.4
1983	*J*	366.0	1.573	3.093	10.68	2 162	3.758	16 854	81.9
	F	361.5	1.533	3.089	10.54	2 142	3.717	16 578	80.7
	M	354.9	1.491	3.075	10.44	2 128	3.589	17 337	79.1
	A	366.2	1.541	3.168	11.28	2 238	3.761	17 656	82.8
	M	369.2	1.573	3.236	11.67	2 308	3.879	17 924	84.9
	J	371.8	1.549	3.271	11.87	2 340	3.948	17 714	85.2
	J	367.3	1.528	3.235	11.89	2 340	3.954	17 940	84.8
	A	367.0	1.502	3.250	12.08	2 386	4.015	18 009	85.1
	S	363.3	1.498	3.242	12.08	2 400	3.998	17 902	84.8
	O	348.6	1.497	3.160	11.90	2 368	3.896	18 102	83.4
	N	347.2	1.478	3.205	12.06	2 401	3.965	18 099	83.7
	D	336.4	1.435	3.153	12.02	2 391	3.944	17 817	82.5
1984	*J*	329.2	1.408	3.167	12.10	2 401	3.957	17 773	81.9
	F	336.4	1.440	3.177	11.97	2 402	3.889	17 963	82.2

[1] Average of daily Telegraphic Transfer rates in London.

[2] Apart from transactions, the level of official reserves is affected by changes in the dollar valuation of gold, Special Drawing Rights and convertible currencies. From end-March 1979 these rates are revised annually. These valuation changes are described in detail in the footnotes of Table 19 of the quarterly balance of payments articles in the March, June, September and December issues of *Economic Trends*. At end-March 1983 the valuation change increased the level of reserves by $1 046 million. The effect of changes in earlier years are given in earlier editions of this table.

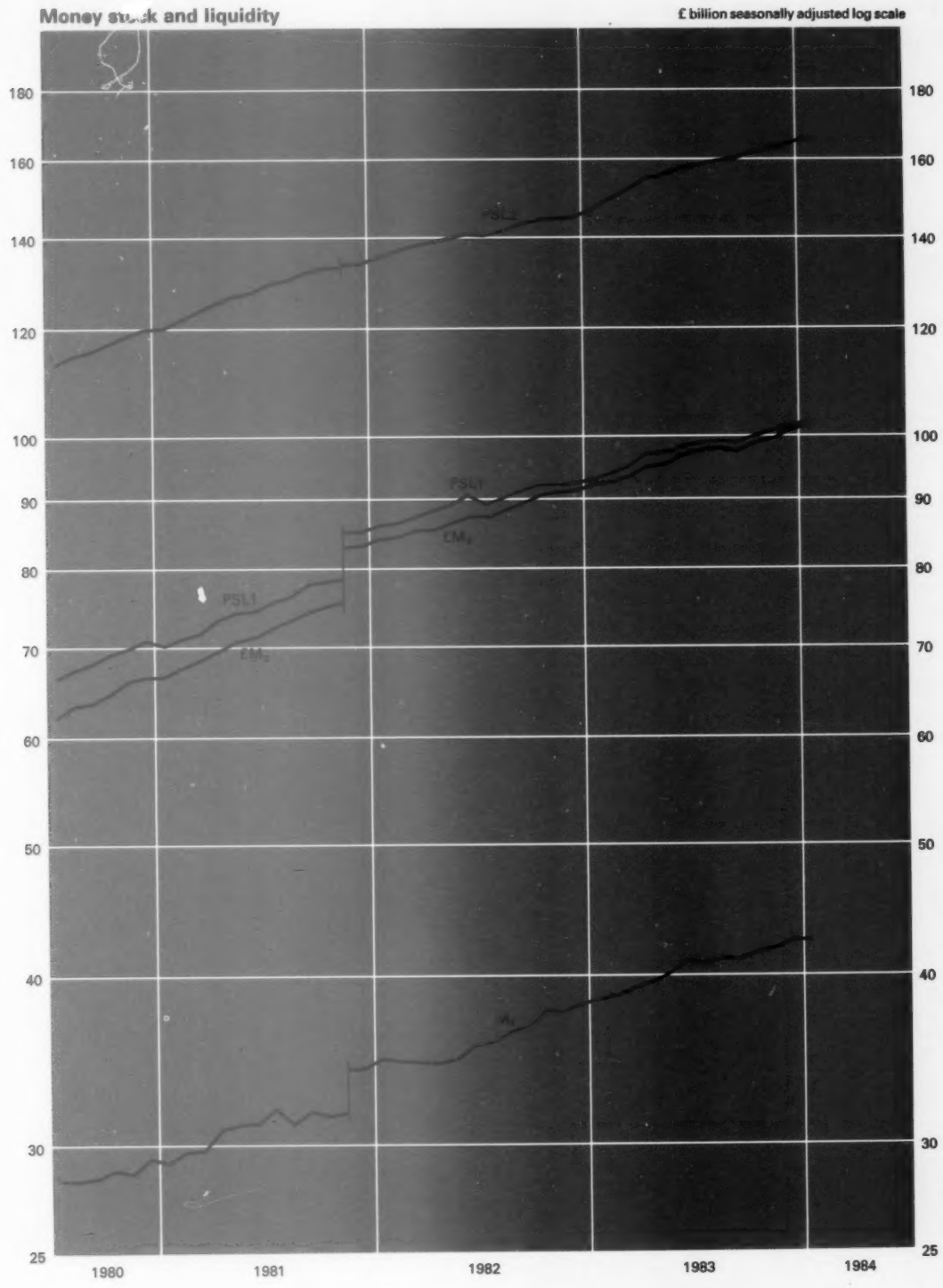

Sterling exchange rates
Rates to the £ log scale
3,000
2,000
1,000
800
600
400
300
Italian lire
Japanese yen
14
12
10
8
6
4
2
1
French franc
Deutsche mark
Swiss franc
US dollar
Sterling effective exchange rate
Average 1975 = 100
120
100
80
60
1979
1980
1981
1982
1983
1984

Money stock and liquidity

£ million, seasonally adjusted

	M1			Sterling M3			PSL 1			PSL 2		
	Amount outstanding	Change	*Percentage change*	Amount outstanding	Change	*Percentage change*	Amount outstanding	Change	*Percentage change*	Amount outstanding	Change	*Percentage change*
At end period												
1979 *1*	27 330	494	*+1.8*	52 160	1 097	*+2.1*	55 963	2 414	*+4.5*	97 642	3 207	*+3.4*
2	27 940	633	*+2.3*	54 260	2 104	*+4.0*	58 499	2 543	*+4.5*	101 369	3 734	*+3.8*
3	28 820	888	*+3.2*	55 780	1 540	*+2.8*	60 454	1 972	*+3.4*	104 355	3 011	*+3.0*
4	29 300	477	*+1.7*	57 640	1 882	*+3.4*	62 343	1 911	*+3.2*	107 356	3 023	*+2.9*
1980 *1*	29 020	−272	*−0.9*	59 320	1 692	*+2.9*	63 864	1 679	*+2.7*	109 555	2 357	*+2.2*
2	29 760	745	*+2.6*	62 670	3 353	*+5.7*	67 500	3 633	*+5.7*	113 975	4 417	*+4.0*
3	29 730	− 27	*−0.1*	65 560	2 890	*+4.6*	69 760	2 262	*+3.4*	117 685	3 712	*+3.3*
4	30 490	757	*+2.5*	68 560	3 013	*+4.6*	72 454	2 713	*+3.9*	121 856	4 189	*+3.6*
1981 *1*	31 510	1 024	*+3.4*	70 010	1 456	*+2.1*	73 150	782	*+1.1*	124 676	2 713	*+2.2*
2	32 730	1 230	*+3.9*	73 070	3 052	*+4.4*	76 180	3 027	*+4.1*	129 563	4 884	*+3.9*
3	33 390	667	*+2.0*	76 320	3 249	*+4.4*	79 568	3 386	*+4.4*	134 178	4 613	*+3.6*
4	33 620	220	*+0.7*	77 730	1 410	*+1.8*	80 720	1 146	*+1.4*	135 902	1 718	*+1.3*
	35 700			85 270			87 126			136 394		
1982 *1*	36 410	702	*+2.0*	87 520	2 230	*+2.6*	89 918	2 869	*+3.3*	140 234	3 917	*+2.9*
2	37 420	1 007	*+2.8*	89 620	2 086	*+2.4*	91 593	1 658	*+1.8*	142 764	2 513	*+1.8*
3	38 320	893	*+2.4*	91 270	1 641	*+1.8*	93 373	1 783	*+1.9*	145 517	2 756	*+1.9*
4	40 130	1 798	*+4.7*	93 550	2 266	*+2.5*	94 812	1 385	*+1.5*	148 413	2 842	*+2.0*
1983 *1*	41 620	1 475		97 260	3 702	*+4.0*	99 476	4 545	*+4.8*	156 123	7 591	*+5.1*
	41 640		*+3.7*	97 360								
2	42 790	1 176	*+2.8*	100 270	2 930	*+3.0*	101 785	2 329	*+2.3*	160 438	4 335	*+2.8*
3	43 600	812	*+1.9*	100 740	459	*+0.5*	102 261	472	*+0.5*	163 469	2 793	*+1.7*
4	44 700	1 093	*+2.5*	103 360	2 474	*+2.5*	104 676	2 263	*+2.2*	168 251	3 986	*+2.4*
At mid-month												
1981 *M*	31 190	198	*+0.6*	70 910	1 041	*+1.5*	74 364	770	*+1.0*	127 760	1 299	*+1.0*
J	31 210	19	*+0.1*	71 390	452	*+0.6*	74 683	300	*+0.4*	128 626	847	*+0.7*
J	32 040	828	*+2.7*	72 450	1 105	*+1.5*	75 791	1 155	*+1.5*	130 299	1 720	*+1.3*
A	31 260	−775	*−2.4*	73 180	662	*+0.9*	76 491	644	*+0.8*	131 248	893	*+0.7*
S	31 890	635	*+2.0*	74 440	1 322	*+1.8*	78 020	1 591	*+2.1*	133 028	1 842	*+1.4*
O	31 650	−245	*−0.8*	75 020	729	*+1.0*	78 379	513	*+0.7*	133 757	883	*+0.7*
N[1]	31 870	226	*+0.7*	75 880	675	*+0.9*	78 776	224	*+0.3*	134 380	450	*+0.3*
	34 260	—	—	83 040	—	—	85 119			134 803		
D	34 300	45	*+0.1*	83 220	223	*+0.3*	85 350	549	*+0.6*	134 971	486	*+0.4*
1982 *J*	34 890	589	*+1.7*	84 190	1 092	*+1.3*	86 260	1 061	*+1.2*	136 289	1 469	*+1.1*
F	34 750	−137	*−0.4*	84 660	336	*+0.4*	86 670	333	*+0.4*	137 531†	1 165†	*+0.9*
M	34 710	− 41	*−0.1*	85 510	868	*+1.0*	87 590	960	*+1.1*	138 820	1 329	*+1.0*
A	34 620	− 85	*−0.2*	85 790	446	*+0.5*	88 511	1 084	*+1.2*	139 961	1 304	*+0.9*
M	34 790	168	*+0.5*	86 850	857	*+1.0*	89 201	493	*+0.6*	140 839	681	*+0.5*
J	35 650	863	*+2.5*	87 680	889	*+1.0*	89 940	795	*+0.9*	141 835	1 052	*+0.7*
J	35 800	157	*+0.4*	87 610	132	*+0.2*	89 596	−141	*−0.2*	141 485	− 147	*−0.1*
A	36 460	657	*+1.8*	88 700	903	*+1.0*	90 707	931	*+1.0*	142 733	1 068	*+0.8*
S	36 830	388	*+1.1*	89 750	1 130	*+1.3*	91 881	1 261	*+1.4*	144 260	1 614	*+1.1*
O	37 800	980	*+2.7*	90 940	1 229	*+1.4*	92 732	909	*+1.0*	145 462	1 260	*+0.9*
N	37 790	1	—	91 250	265	*+0.3*	92 640	− 133	*−0.1*	145 887	384	*+0.3*
D	38 190	410	*+1.1*	91 670	494	*+0.5*	92 873	320	*+0.3*	146 417	617	*+0.4*
1983 *J*	38 510	359	*+0.9*	92 440	798	*+0.9*	93 325	524	*+0.6*	148 137	1 792	*+1.2*
F	38 760	257	*+0.7*	92 950	623	*+0.7*	94 151†	956†	*+1.0*	150 371	2 364	*+1.6*
M	39 210	464	*+1.2*	93 880	945	*+1.0*	95 459	1 332	*+1.4*	152 632	2 285	*+1.5*
A	39 660	463	*+1.2*	95 450	1 577	*+1.7*	97 612	2 173	*+2.3*	155 679	3 067	*+2.0*
M	40 210	578	*+1.5*	95 950	540	*+0.6*	97 867	306	*+0.3*	156 674	1 046	*+0.7*
J	41 140	954	*+2.4*	97 520	1 611	*+1.7*	98 973	1 169	*+1.2*	158 265	1 654	*+1.1*
J	40 960	−153	*−0.4*	98 300	796	*+0.8*	99 363	444	*+0.4*	159 573	1 362	*+0.9*
A	41 290	347	*+0.8*	98 420	157	*+0.2*	99 865	564	*+0.6*	160 742	1 231	*+0.8*
S	41 200	− 82	*−0.2*	98 020	−460	*−0.5*	99 717	−183	*−0.2*	161 034	257	*+0.2*
O	41 810	633	*+1.5*	99 440	1 415	*+1.4*	100 976	1 278	*+1.3*	162 623	1 608	*+1.0*
N	42 040	250	*+0.6*	100 000†	551	*+0.6*	101 129	166	*+0.2*	163 232	622	*+0.4*
D	42 690	655	*+1.6*	101 540	1 326	*+1.3*	102 584	1 261	*+1.2*	165 005	1 579	*+1.0*
1984 *J*	42 580	− 84	*−0.2*	102 180	620	*+0.6*	102 739	159	*+0.2*	166 864	1 863	*+1.1*
F	42 830	287	*+0.7*	102 180	−16	—	102 660	− 69	*−0.1*	168 827	1 973	*+1.2*

[1] Changes up to and including the 4th quarter of 1981 in the quarterly series, and 18 November 1981 in the monthly series, have been calculated on the basis of the old banking sector, after those dates, changes in each series have been calculated on the basis of the new monetary sector. Figures for the 4th quarter of 1981 are partly estimated.


Money stock and liquidity
£ billion seasonally adjusted log scale
180
160
140
120
100
90
80
70
60
50
40
30
25
PSL2
PSL1
£M3
£M3
1980
1981
1982
1983
1984

Counterparts to changes in money stock[1]

Seasonally adjusted[2] **£ million**

		Domestic counterparts								
		Public sector borrowing requirement		Net acquisition of public sector debt by UK non-bank private sector						
		Central government borrowing requirement	Other public sector contribution	Other public sector debt	Central government debt	Sterling lending to UK private sector[3]	Sub-total of domestic counterparts	External and foreign currency counterparts	Non-deposit liabilities (net)	Money stock sterling M_3
		1	2	3	4	5	6	7	8	9
1979		10 375	2 263	1 020	9 895	8 585	10 308	−3 139	− 573	6 596
1980		11 096	1 084	242	9 185	10 025	12 778	− 454	−1 391	10 933
1981		10 231	492	−791	12 058	11 405	10 861	261	−1 743	9 379
1982		7 806	−2 364	−388	10 925	17 557	12 462	−2 320	−2 158	7 984
1983		14 455	−2 782	−559	11 238	12 851	13 845	− 572	−3 696	9 577
1980	*1*	453	522	342	1 586	3 122	2 169	123	− 600	1 692
	2	3 442	397	358	1 749	2 424	4 156	− 462	− 341	3 353
	3	3 547	518	−112	3 156	2 558	3 579	− 397	− 292	2 890
	4	3 654	− 353	−346	2 694	1 921	2 874	282	− 143	3 013
1981	*1*	2 450	− 226	−495	3 939	1 922	700	1 132	− 376	1 456
	2	5 735	384	−112	3 253	909	3 887	− 272	− 563	3 052
	3	2 823	97	− 46	1 690	2 824	4 100	− 316	− 535	3 249
	4	−777	239	−138	3 176	5 483	1 907	− 283	− 214	1 410
1982	*1*	− 6	375	− 77	3 533	5 701	2 614	− 191	− 193	2 230
	2	1 711	− 127	− 45	1 135	3 558	4 052	−1 520	− 446	2 086
	3	2 658	− 760	48	4 008	5 050	2 892	− 434	− 817	1 641
	4	3 443	−1 852	−314	2 249	3 515	3 171	− 175	− 730	2 266
1983	*1*	5 158	− 761	63	1 162	1 981	5 153	− 954	− 497	3 702
	2	3 690	−1 546	−290	2 213	3 264	3 485	571	−1 126	2 930
	3	2 647	− 62	−159	4 670	3 741	1 815	− 294	−1 062	459
	4	2 960	− 413	−173	3 193	3 865	3 392	105	−1 023	2 474
Month ended										
1981	Aug. 19	−120	166		965	1 806	887	− 159	− 66	662
	Sept. 16	1 583	−137		225	742	1 963	− 352	− 289	1 322
	Oct. 21	723	538		1 312	636	585	57	87	729
	Nov. 18	−757	185		1 546	2 709	591	− 2	86	675
	Dec. 9	−690	−217		322	1 618	389	− 294	128	223
1982	Jan. 20	−402	356		1 102	1 987	839	403	− 150	1 092
	Feb. 17	172	− 90		1 154	2 029	957	− 462	− 159	336
	Mar. 17	148	188†		1 427	1 939	848†	201†	− 181	868
	April 21	−347	398		571	1 574	1 054	− 399	− 209	446
	May 19	1 069	118		575	1 070	1 682	− 539	− 286	857
	June 16	1 109	−361		400	1 045	1 393	− 254	− 250	889
	July 21	723	− 16		1 325	1 399	781	− 859	210	132
	Aug. 18	1 107	−378		895	1 501	1 335	− 151	− 281	903
	Sept. 15	1 343	−375		1 162	1 647	1 453	173	− 496	1 130
	Oct. 20	1 027	−310		866	1 890	1 741	− 122	− 390	1 229
	Nov. 17	999	−635		1 004	1 121	481	191	− 407	265
	Dec. 8	52	−232		261	1 039	598	51	− 155	494
1983	Jan. 19	334	−126		838	1 192†	562	301	− 65	798
	Feb. 16	1 382	− 38		869	1 098	1 573	− 683	− 267	623
	Mar. 16	1 954	−773		306†	635	1 510	232	− 797	945
	April 20	1 742	− 44		320	199	1 577	− 68	68	1 577
	May 18	1 668	−596		966	1 087	1 193	− 62	− 591	540
	June 15	1 285	−432		833	1 553	1 573	− 196	234	1 611
	July 20	1 763	−275		1 092	305	701	− 116	211	796
	Aug. 17	825	−283		1 118	1 187	611	− 344	− 110	157
	Sept. 21	827	643		2 135	1 160	495	255	−1 210	−460
	Oct. 19	1 203	−620		798	1 554	1 339	− 476	552	1 415
	Nov. 16	1 490	265		1 656	1 138	1 237	− 238	− 448	551
	Dec. 14	580	78		722	1 747	1 683	226	− 583	1 326
1984	Jan. 18	157	−433		1 138	1 254	−160	1 334	− 554	620
	Feb. 15	1 864	14		1 305	1 032	1 605	− 577	−1 044	− 16

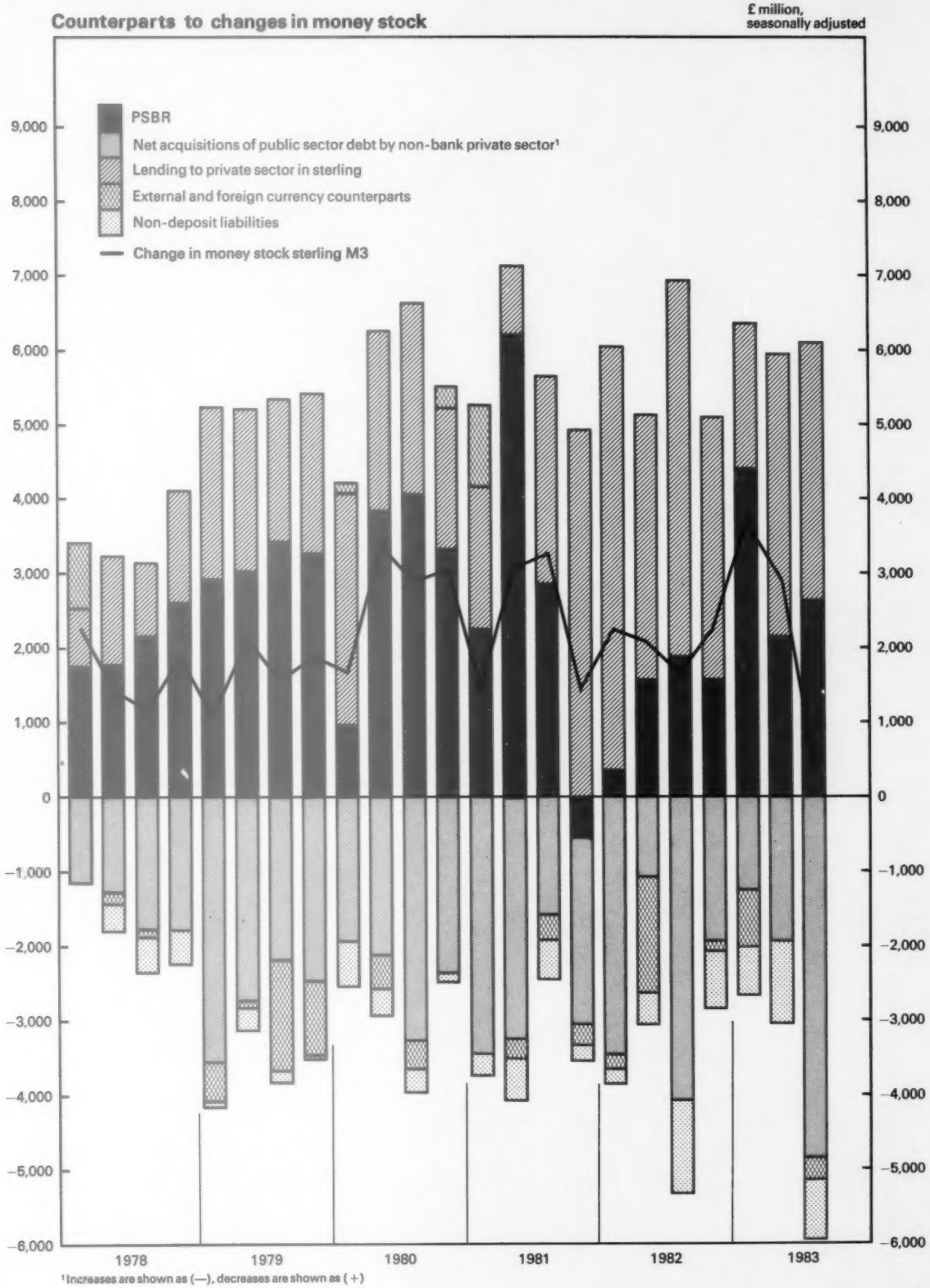
Relationship between columns: 6 = 1 + 2 − 3 − 4 + 5; 9 = 6 + 7 + 8 (The figures combined in the bracket are column 2 *less* column 3.)

[1] Changes up to and including the 4th quarter of 1981 in the quarterly series, and 18 November 1981 in the monthly series, have been calculated on the basis of the old banking sector; after those dates, changes in each series have been calculated on the basis of the new monetary sector. Figures for the 4th quarter of 1981 are partly estimated.

[2] The seasonally adjusted figures do not always add to the calendar year total which is the sum of unadjusted quarterly figures.

[3] Banking sector lending *plus* Bank of England Issue Department holdings of commercial bills.

Counterparts to changes in money stock



[1] Increases are shown as (—), decreases are shown as (+)

General government receipts and expenditure[1]

£ million

	General government								
	Receipts[2]		Expenditure						
			Goods and services		Current and capital transfers				
	Taxes, national insurance, etc. contributions	Trading income rent, royalties interest, etc.	Final consumption	Gross domestic capital formation	Current grants and subsidies	Capital transfers	Debt interest	Net lending etc.[3]	Total
1980	82 144	10 121	48 387	5 742	32 584	2 254	11 363	3 464	103 794
1981	95 363	11 254	54 677	4 612	38 642	2 471	13 294	2 578	116 274
1982	107 244	12 658	59 878	4 683	43 623	2 827	14 475	2 718	128 204
1983	115 184	12 678	65 829	5 764	47 957	3 493	14 713	931	138 687
1980 *1*	20 701	2 445	11 166	1 740	7 823	586	3 155	150	24 620
2	18 501	2 420	11 623	1 128	8 136	522	2 344	1 434	25 187
3	21 322	2 482	12 512	1 393	8 116	620	3 318	1 156	27 115
4	21 620	2 774	13 086	1 481	8 509	526	2 546	724	26 872
1981 *1*	23 401	2 801	13 223	1 709	9 171	670	3 665	345	28 783
2	21 039	2 693	13 478	906	9 796	519	2 688	881	28 268
3	25 476	2 888	13 863	980	9 830	615	3 980	890	30 158
4	25 447	2 872	14 113	1 017	9 845	667	2 961	462	29 065
1982 *1*	28 286	3 136	14 603	1 485	10 288	803	4 280	644	32 103
2	24 634	3 101	14 824	763	10 948	527	3 093	201	30 356
3	27 336	3 127	14 941	1 157	10 856	615	4 127	1 055	32 751
4	26 988	3 294	15 510	1 278	11 531	882	2 975	818	32 994
1983 *1*	30 510	3 306	16 482	2 038	11 756	1 019	4 291	1 024	36 610
2	26 146	3 090	16 127	877	12 003	694	3 009	118	32 828
3	28 351	3 107	16 434	1 435	11 896	800	3 998	−58	34 505
4	30 177	3 185	16 786	1 414	12 302	980	3 415	−153	34 744

[1] An article describing the new presentation of government income and expenditure was published in the March 1977 issue of *Economic Trends*.
[2] Excluding financial transactions.
[3] Net lending to public corporations, private sector and overseas; cash expenditure on company securities, etc. (net).

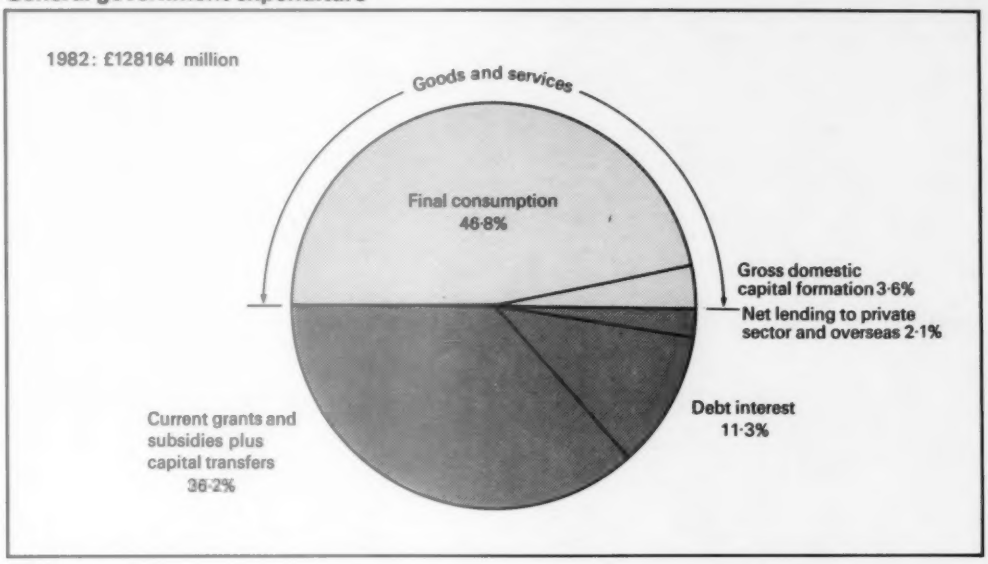
Financial transactions of the public sector

£ million

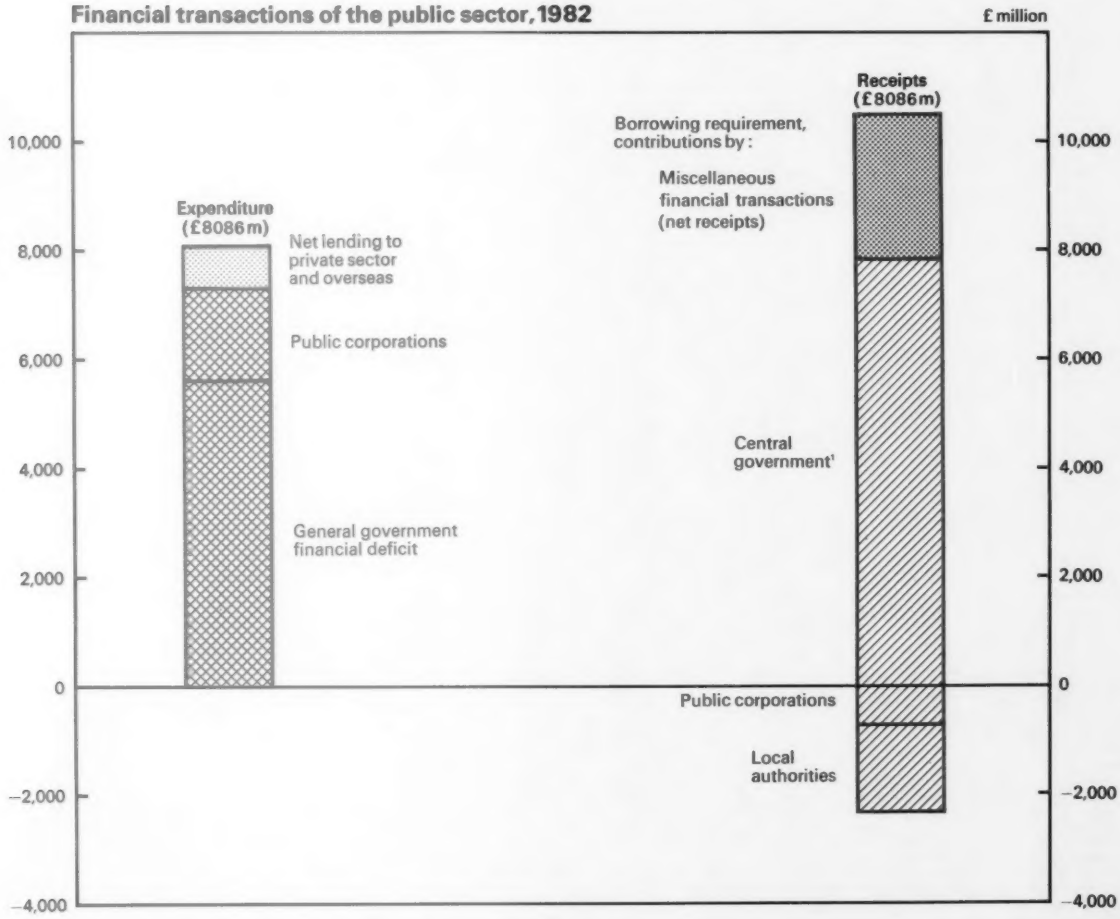
	Financial deficit[1]				Receipts					
							Borrowing requirement			
								Contributions by:		
	Total	General government[2]	Public corporations	Net lending etc., to private sector and overseas[3]	Total	Financial transactions (net receipts)	Total	Central government[4]	Local authorities	Public corporations	Seasonally adjusted Total[5]
1979	8 375	6 284	2 091	468	8 843	−3 795	12 638	10 375	1 761	502	12 638
1980	10 630	8 065	2 565	467	11 097	−1 076	12 173	11 096	1 785	−708	12 173
1981	8 555	7 079	1 476	898	9 453	−1 277	10 730	10 231	1 116	−617	10 730
1982	7 274	5 584	1 690	802	8 076	2 628	5 448	7 806	−1 605	−753	5 448
1983	10 575	9 768	807	−377	10 198	−1 477	11 675	14 456	−2 370	−411	11 675
1980 *1*	1 785	1 324	461	−105	1 680†	2 922†	−1 242	−1 882	1 395	−755	965
2	3 485	2 832	653	427	3 912	− 898	4 810	4 542	536	−268	3 839
3	3 419	2 155	1 264	181	3 600	− 167	3 767	3 295	312	160	4 066
4	1 941	1 754	187	− 36	1 905	−2 933	4 838	5 141	− 458	155	3 303
1981 *1*	2 682	2 236	446	−123	2 559	2 787	− 228	− 127	576	−677	2 222
2	4 023	3 655	368	590	4 613	−3 153	7 766	7 501	313	− 48	6 116
3	1 779	904	875	281	2 060	− 215	2 275	2 240	305	−270	2 924
4	71	284	−213	150	221	− 696	917	617	− 78	378	−532
1982 *1*	335	37	298	23	358	2 531	−2 173	−2 663	505	− 15	362
2	2 861	2 420	441	312	3 173	311	2 862	3 098	48	−284	1 585
3	2 251	1 233	1 018	269	2 520	839	1 681	2 497	− 697	−119	1 904
4	1 827	1 894	− 67	198	2 025	−1 053	3 078	4 874	−1 461	−335	1 597
1983 *1*	1 996	1 830†	166	84	2 080	537	1 543	2 185	− 231	−411	4 374
2	3 636	3 424	212	−263	3 373	− 438	3 811	5 450	− 915	−724	2 151
3	4 024	3 105	919	−206	3 818	587	3 231	3 388	− 301	144	2 603
4	919	1 409	−490	8	927	−2 163	3 090	3 433	− 923	580	2 547

[1] The excess of current and capital expenditure over receipts; corresponds to a negative figure of 'net acquisition of financial assets'.
[2] Top table, columns 3 to 7, *less* 1 and 2.
[3] Including cash expenditure on company securities (net).
[4] Including borrowing matched by on-lending to local authorities and public corporations.
[5] Calendar year constrained.

General government expenditure



Financial transactions of the public sector, 1982



¹Including borrowing matched by on-lending to local authorities and public corporations.

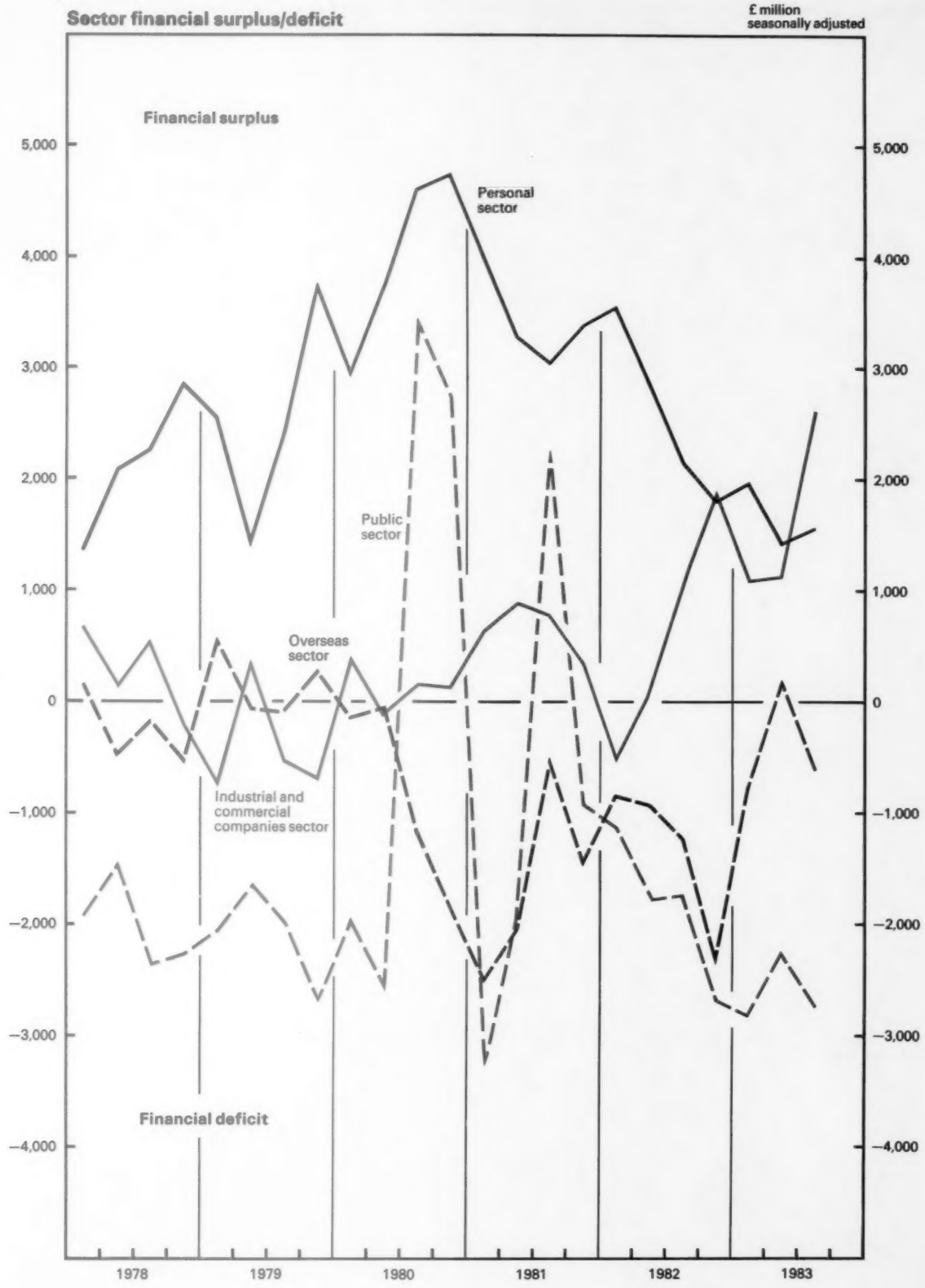
Summary capital accounts and financial surplus or deficit: analysis by sector

£ million, seasonally adjusted

	Public sector[1]			Financial companies and institutions			Industrial and commercial companies		
	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]
1979	3 337	− 264	11 448	4 391	−237	3 924	20 907	324	22 809
1980	2 704	− 360	12 974	4 833	−302	5 087	17 102	387	16 916
1981	3 739	− 226	12 068	5 273	−567	5 359	18 467	591	16 395
1982	6 145	−642	12 777	6 383	−439	5 759	17 987	584	16 102
1983	4 816	−1 188	14 203		−335			475	
1979 *1*	675	− 66	2 687	1 030	− 50	854	4 605	81	5 389
2	1 157	− 89	2 700	1 048	− 67	1 096	5 496	104	5 257
3	1 140	− 57	3 080	1 238	− 60	956	5 663	85	6 273
4	365	− 52	2 981	1 075	− 60	1 018	5 143	54	5 890
1980 *1*	1 341	− 68	3 251	1 191	− 65	1 204	5 635	62	5 275
2	532	− 82	3 019	1 422	− 83	1 218	4 798	80	4 982
3	117	− 149	3 358	1 264	− 81	1 305	3 467	115	3 437
4	714	− 61	3 346	956	− 73	1 360	3 202	130	3 222
1981 *1*	23	− 107	3 201	1 202	− 70	1 189	4 001	139	3 510
2	886	− 115	3 079	1 177	− 85	1 321	4 449	155	3 715
3	949	− 9	2 842	1 257	− 80	1 431	5 170	166	4 555
4	1 881	5	2 946	1 637	−332	1 418	4 847	131	4 615
1982 *1*	2 309	− 163	3 174	1 183	−136	1 472	3 385	196	4 103
2	1 316	− 33	3 042	1 625	−115	1 464	4 342	78	4 339
3	1 643	− 143	3 224	1 798	−101	1 539	4 671	77	3 737
4	877	− 303	3 337	1 777	− 87	1 284	5 589	233	3 923
1983 *1*	1 187†	− 286†	3 764	1 766	− 86	1 530	5 413	226	4 533
2	1 513	− 172	3 409	1 660	−107	1 456	5 326	91	4 282
3	1 193	− 308	3 616	1 305	− 91	1 393	7 116	73	4 560
4	923	− 422	3 414		− 51			85	

	Personal sector			Financial Surplus/Deficit[4]					
	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Public sector	Financial companies and institutions	Industrial and commercial companies	Personal sector	Overseas sector[5]	Residual error[6]
1979	17 425	177	7 500	−8 375	+230	−1 578	10 102	553	− 932
1980	23 403	275	7 602	−10 630	−556	573	16 076	−3 650	−1 813
1981	21 492	202	7 973	−8 555	−653	2 663	13 721	−7 272	96
1982	20 375	497	10 486	−7 274	185	2 469	10 386	−5 551	− 215
1983		1 048		−10 575				−2 049	
1979 *1*	4 122	35	1 604	−2 078	126	− 703	2 553	516	− 414
2	3 202	52	1 843	−1 632	−115	343	1 411	− 79	72
3	4 224	32	1 874	−1 997	222	− 525	2 382	− 124	42
4	5 877	58	2 179	−2 668	− 3	− 693	3 756	240	− 632
1980 *1*	4 938	71	2 058	−1 978	− 78	422	2 951	− 179	−1 138
2	5 630	85	1 958	−2 569	121	− 104	3 757	− 100	−1 105
3	6 411	115	1 910	−3 390	−122	145	4 616	−1 341	92
4	6 424	4	1 676	−2 693	−477	110	4 752	−2 030	338
1981 *1*	5 862	38	1 890	−3 285	− 57	630	4 010	−2 698	1 400
2	5 020	45	1 773	−2 308	−229	889	3 292	−2 296	652
3	5 124	−77	2 161	−1 902	−254	781	2 886	− 789	− 722
4	5 486	196	2 149	−1 060	−113	363	3 533	−1 489	−1 234
1982 *1*	5 933	103	2 472	−1 028	−425	− 522	3 564	−1 107	− 482
2	5 377	70	2 585	−1 759	46	81	2 862	−1 027	− 203
3	4 594	167	2 598	−1 724	158	1 011	2 163	−1 237	− 371
4	4 471	157	2 831	−2 763	406	1 899	1 797	−2 180	841
1983 *1*	4 797	146	2 961	−2 863	150	1 106	1 982	−1 094	719
2	4 208	188	2 995	−2 068	97	1 135	1 401	37	− 602
3	4 290	326	3 076	−2 731	−179	2 629	1 540	− 653	− 606
4		388		−2 913				− 339	

[1] Excluding financial transactions in writing-off debt.
[2] Before providing for depreciation stock appreciation and addition to reserves.
[3] Comprises gross domestic fixed capital formation and increase in value of stocks and work in progress.
[4] This balance is equal to savings *plus* capital transfer *less* gross domestic fixed capital formation, *less* increase in value of stocks and work in progress.
[5] Equals, apart from the change in sign, the current balance of payments accounts, *plus* capital transfers.
[6] The residual error in the national income accounts.


Sector financial surplus/deficit
£ million
seasonally adjusted
Financial surplus
Financial deficit
Personal sector
Public sector
Overseas sector
Industrial and commercial companies sector
5,000
4,000
3,000
2,000
1,000
0
−1,000
−2,000
−3,000
−4,000
1978
1979
1980
1981
1982
1983

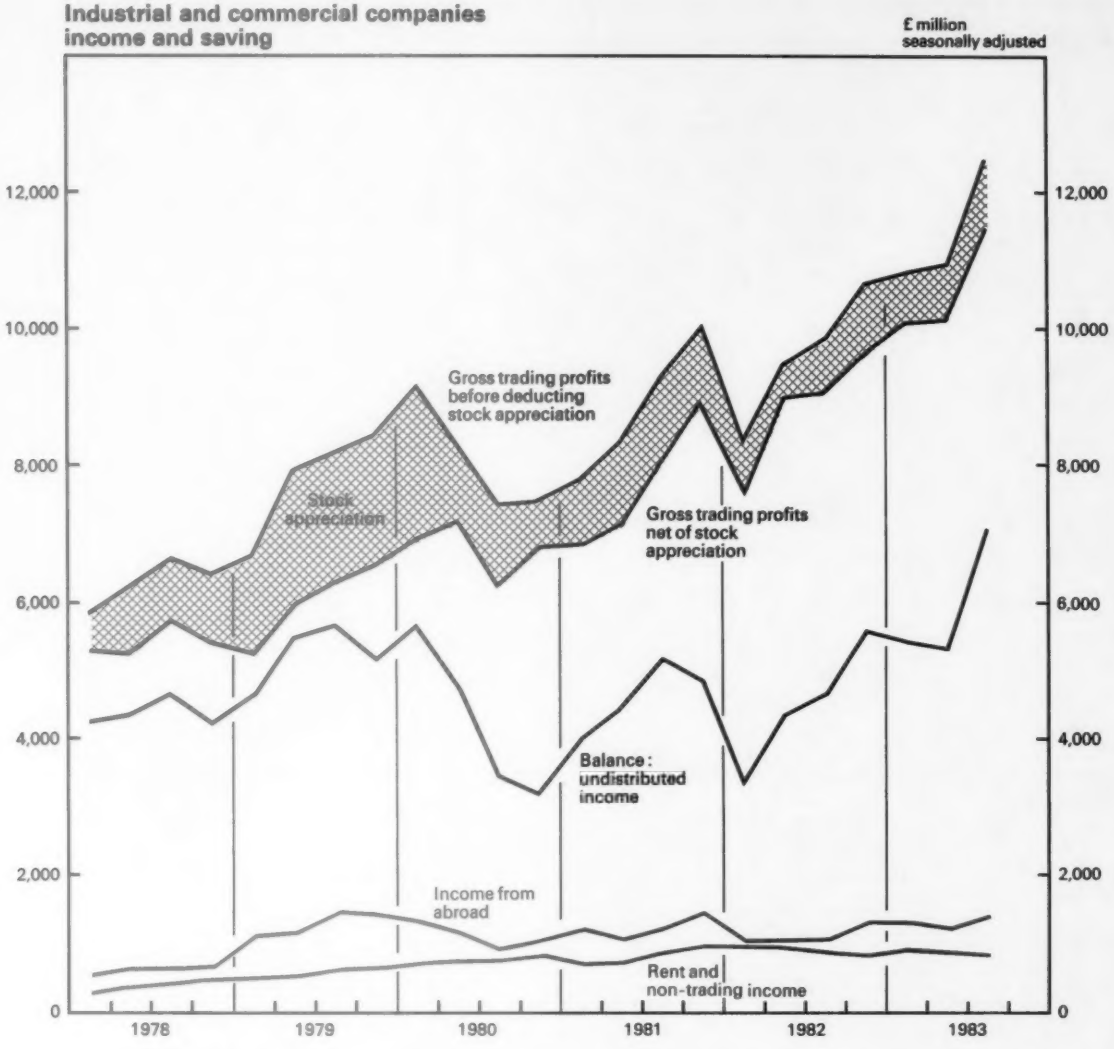
Appropriation account of industrial and commercial companies

£ million, seasonally adjusted

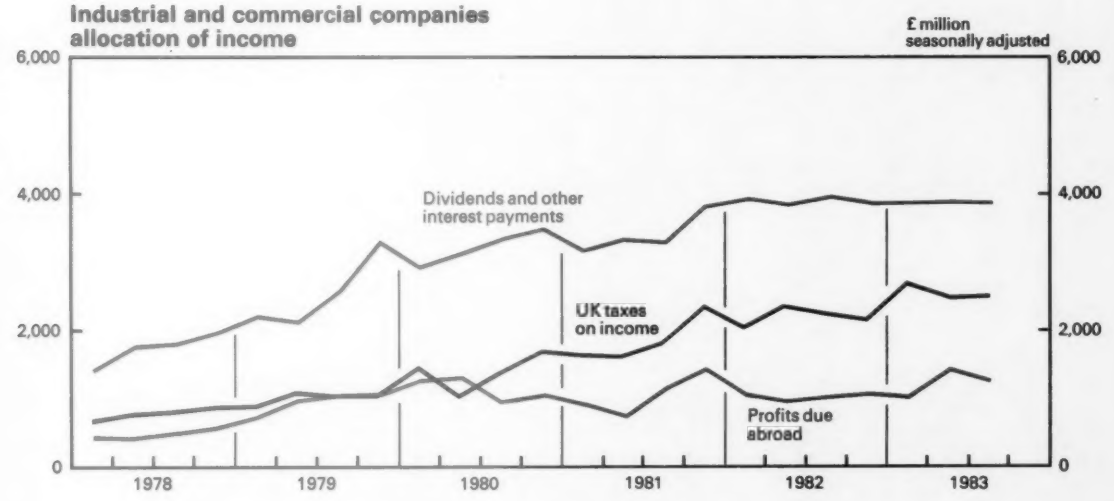
	Income							Allocation of income				Balance	
		Income arising in the United Kingdom						Dividends, interest and current transfer payments					
		Gross trading profits											
		Net of stock appreciation											
	Total income	N. Sea oil companies	Other companies	Total	Stock appreciation	Total[1]	Rent and non-trading income	Income from abroad (net of taxes paid abroad)	Dividends on ordinary shares[2]	Other[2,3]	Profits due abroad (net of UK tax)	UK taxes on income (payments)[4]	Undistributed income[5]	Undistributed income adjusted for unremitted profits[5,6]
1972	10 419	50	7 655	7 706	1 082	8 787	606	1 026	1 524	1 533	549	1 030	5 783	5 709
1973	14 004	33	8 768	8 801	2 261	11 062	1 002	1 940	1 638	2 401	646	1 303	8 016	7 623
1974	16 199	– 17	8 043	8 026	4 744	12 770	1 288	2 141	1 469	3 382	506	2 075	8 767	8 236
1975	15 963	– 50	8 835	8 785	4 252	13 037	1 301	1 625	1 508	3 363	422	1 631	9 039	8 416
1976	20 363	527	10 530	11 057	5 372	16 429	1 562	2 372	1 795	3 938	724	1 377	12 529	11 402
1977	25 319	1 971	15 593	17 564	3 977	21 541	1 434	2 344	2 144	4 093	1 729	2 336	15 017	15 082
1978	29 477	2 614	19 103	21 717	3 376	25 093	1 728	2 656	2 591	4 423	1 980	3 052	17 431	17 393
1979	38 994	5 249	18 833	24 082	7 195	31 277	2 444	5 273	4 169	6 122	3 808	3 988	20 907	21 913
1980	40 193	8 057	19 142	27 199	5 193	32 392	3 161	4 640	4 173	8 807	4 609	5 502	17 102	17 994
1981	43 918	10 865	20 094	30 959	4 545	35 504	3 382	5 032	4 582	9 108	4 335	7 426	18 467	18 248
1982	46 678	12 708	22 659	35 367	3 065	38 432	3 668	4 578	5 723	9 971	4 207	8 790	17 987	17 689
1976 *2*	4 754	93	2 364	2 457	1 358	3 815	368	571	445	889	130	313	2 977	2 665
3	5 118	117	2 560	2 677	1 425	4 102	393	623	486	1 002	189	403	3 038	2 690
4	6 004	264	3 096	3 360	1 545	4 905	467	632	449	1 197	213	453	3 692	3 493
1977 *1*	6 358	440	3 430	3 870	1 416	5 286	434	638	464	1 161	362	487	3 884	3 834
2	6 278	505	3 850	4 355	955	5 310	349	619	532	1 003	453	587	3 703	3 723
3	6 453	517	4 096	4 613	948	5 561	338	554	556	1 001	474	618	3 804	3 817
4	6 230	509	4 217	4 726	658	5 384	313	533	592	928	440	644	3 626	3 708
1978 *1*	6 762	565	4 750	5 315	529	5 844	334	584	526	890	453	659	4 234	4 288
2	7 322	643	4 619	5 262	969	6 231	415	676	719	1 070	433	750	4 350	4 343
3	7 755	634	5 105	5 739	874	6 613	462	680	660	1 153	510	795	4 637	4 578
4	7 638	772	4 629	5 401	1 004	6 405	517	716	686	1 310	584	848	4 210	4 184
1979 *1*	8 412	958	4 299	5 257	1 442	6 699	555	1 158	846	1 369	724	868	4 605	4 560
2	9 696	1 176	4 819	5 995	1 946	7 941	572	1 183	766	1 392	983	1 059	5 496	5 871
3	10 327	1 506	4 789	6 295	1 903	8 198	642	1 487	1 005	1 597	1 038	1 024	5 663	5 964
4	10 559	1 609	4 926	6 535	1 904	8 439	675	1 445	1 552	1 764	1 063	1 037	5 143	5 518
1980 *1*	11 314	1 970	4 961	6 931	2 256	9 187	756	1 371	862	2 107	1 288	1 422	5 635	6 065
2	10 272	1 902	5 294	7 196	1 108	8 304	767	1 201	1 004	2 155	1 313	1 002	4 798	5 038
3	9 178	1 967	4 297	6 264	1 150	7 414	791	973	1 156	2 205	965	1 385	3 467	3 633
4	9 429	2 218	4 590	6 808	679	7 487	847	1 095	1 151	2 340	1 043	1 693	3 202	3 258
1981 *1*	9 757	2 502	4 334	6 836	957	7 793	740	1 224	1 023	2 171	927	1 635	4 001	3 836
2	10 213	2 588	4 559	7 147	1 217	8 364	755	1 094	1 248	2 110	778	1 628	4 449	4 257
3	11 463	2 776	5 249	8 025	1 304	9 329	890	1 244	1 111	2 201	1 170	1 811	5 170	5 149
4	12 485	2 999	5 952	8 951	1 067	10 018	997	1 470	1 200	2 626	1 460	2 352	4 847	5 006
1982 *1*	10 436	2 753	4 836	7 589	796	8 385	981	1 070	1 423	2 525	1 070	2 033	3 385	3 271
2	11 536	2 863	6 151	9 014	479	9 493	966	1 077	1 314	2 550	977	2 353	4 342	4 384
3	11 840	3 395	5 702	9 097	771	9 868	878	1 094	1 434	2 475	1 039	2 221	4 671	4 693
4	12 866	3 697	5 970	9 667	1 019	10 686	843	1 337	1 552	2 421	1 121	2 183	5 589	5 341
1983 *1*	13 070	3 900	6 193	10 093	728	10 821	928	1 321	1 307	2 584	1 053	2 713	5 413	5 295
2	13 127	3 378	6 778	10 156	827	10 983	919	1 225	1 430	2 474	1 418	2 479	5 326	5 713
3	14 790	4 047	7 474	11 521	986	12 507	865	1 418	1 349	2 520	1 291	2 514	7 116	7 306

[1] Before providing for depreciation and stock appreciation.
[2] With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends, previously shown gross of income tax appear as actual payments, while the advance corporation tax in respect of those dividends is included in UK taxes on income.
[3] Including royalties and licence fees on oil and gas production.
[4] The residual of all companies' payments and financial companies and institutions' accruals (payments from 1977) of taxes on income. The former include payments of corporation tax (including advance corporation tax from 6 April 1973) and petroleum revenue tax.
[5] Before providing for depreciation, stock appreciation and additions to reserves.
[6] Excludes profits retained abroad by overseas subsidiaries of UK companies. Includes profits retained in the United Kingdom by subsidiaries of overseas companies.

Industrial and commercial companies income and saving



Industrial and commercial companies allocation of income



Capital account and financial surplus/deficit of industrial and commercial companies

£ million, seasonally adjusted

	Receipts						Expenditure				
				Undistributed income *less* stock appreciation	Capital transfers						
	Total receipts	Undistributed income	Stock appreciation		Investment grants	Other	Total expenditure	Gross domestic fixed capital formation	Value of physical increase in stocks and work in progress	Taxes on capital and other capital transfers	Balance: Financial surplus/deficit
1978	14 497	17 431	3 376	14 055	33	409	13 514	12 039	1 407	68	983
1979	14 122	20 907	7 195	13 712	21	389	15 700	13 880	1 734	86	−1 578
1980	12 409	17 102	5 193	11 909	37	463	11 836	14 750	−3 027	113	573
1981	14 636	18 467	4 545	13 922	42	672	11 973	14 561	−2 711	123	2 663
1982	15 573	17 987	3 065	14 922	45	606	13 104	14 796	−1 759	67	2 469
1980 *1*	3 471	5 635	2 256	3 379	6	86	3 049	3 612	− 593	30	422
2	3 797	4 798	1 108	3 690	10	97	3 901	3 687	187	27	− 104
3	2 462	3 467	1 150	2 317	12	133	2 317	3 675	−1 388	30	145
4	2 679	3 202	679	2 523	9	147	2 569	3 776	−1 233	26	110
1981 *1*	3 211	4 001	957	3 044	9	158	2 581	3 698	−1 145	28	630
2	3 417	4 449	1 217	3 232	11	174	2 528	3 601	−1 103	30	889
3	4 061	5 170	1 304	3 866	11	184	3 280	3 619	− 368	29	781
4	3 947	4 847	1 067	3 780	11	156	3 584	3 643	− 95	36	363
1982 *1*	2 739	3 385	796	2 589	10	140	3 261	3 623	− 316	− 46	− 522
2	3 976	4 342	479	3 863	8	105	3 895	3 613	247	35	81
3	4 016	4 671	771	3 900	9	107	3 005	3 779	− 813	39	1 011
4	4 842	5 589	1 019	4 570	18	254	2 943	3 781	− 877	39	1 899
1983 *1*	4 934	5 413	728	4 685	18	231	3 839	3 605	200	34	1 095
2	4 631	5 326	827	4 499	9	123	3 496	3 760	− 305	41	1 135
3	6 253	7 116	986	6 130	10	113	3 624	3 755	− 181	50	2 629

Financial transactions including net borrowing requirement of industrial and commercial companies[1]

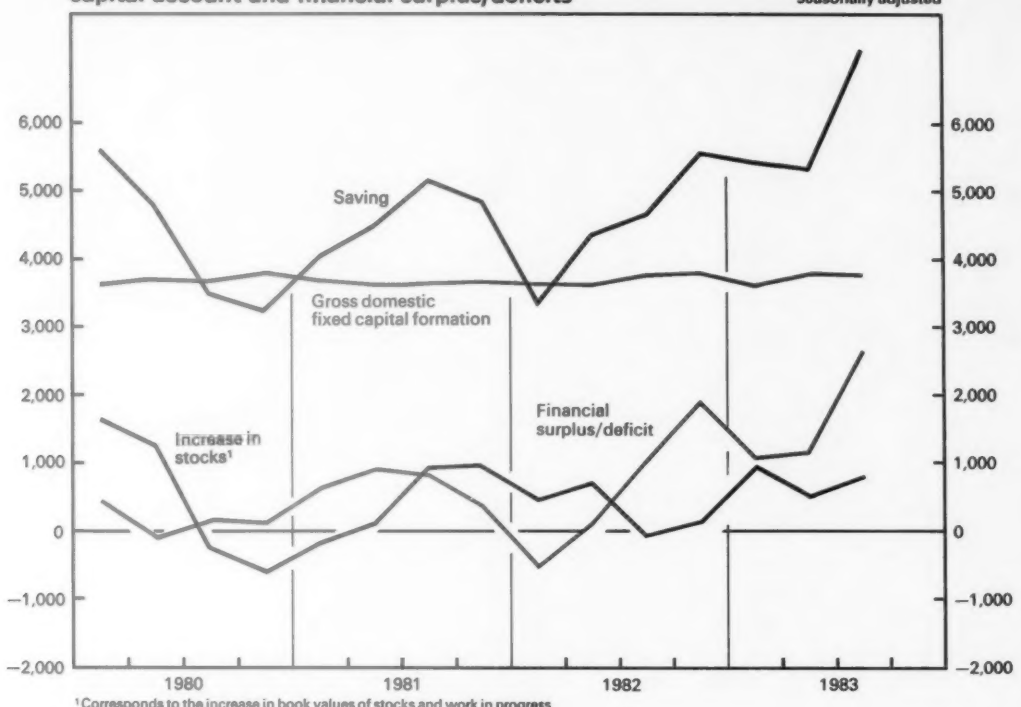
£ million, seasonally adjusted

	Transactions leading to net borrowing requirement						Financing of net borrowing requirement[5]				
							Borrowing from		Financial assets		
	Financial surplus/deficit	Net unremitted profits[2]	Net identified trade and other credit[3]	Investment in UK company securities[4]	Investment abroad	Balancing item	Banks[6]	Other	Liquid	Other	Net borrowing requirement (NBR)
1978	983	− 38	− 3	−1 382	−1 971	389	2 394	1 968	−2 355	15	2 022
1979	−1 578	1 006	1 987	−1 780	−3 570	−1 154	3 981	1 950	− 705	− 137	5 089
1980	573	892	− 524	−1 623	−2 962	−2 036	6 340	3 244	−3 554	− 350	5 680
1981	2 663	− 219	710	−1 230	−3 793	− 695	5 847	3 351	−4 839	−1 795	2 564
1982	2 468	− 298	− 935	−1 541	−2 833	−4 556	6 563	3 250	−2 661	542	7 694
1983			−1 730	−1 589			2 012				
1980 *1*	422	430	−1 113	− 349	−1 067	−1 182	2 419	536	387	− 483	2 859
2	− 104	240	116	− 354	−1 198	− 455	1 895	635	− 371	− 404	1 775
3	145	166	86	− 603	− 149	− 364	1 406	789	−1 694	218	719
4	110	56	389	− 317	− 548	− 115	620	1 284	−1 798	319	425
1981 *1*	630	− 165	− 697	− 322	−1 040	2 016	644	281	−1 220	− 127	− 422
2	889	− 192	2 657	− 240	− 884	− 131	−1 028	1 345	−1 587	− 829	−2 099
3	781	− 21	261	− 279	− 826	− 472	1 795	894	−1 878	− 255	556
4	363	159	−1 512	− 389	−1 043	−2 066	4 169	831	72	− 584	4 488
1982 *1*	− 522	− 114	837	− 356	− 771	−2 426	3 182	1 343	−1 265	91	3 351
2	81	42	−1 300	− 405	− 498	− 84	1 112	816	376	− 140	2 164
3	1 011	22	− 73	− 440	− 771	−1 262	1 947	435	−1 133	264	1 513
4	1 899	− 248	− 400	− 341	− 793	− 435	589	656	−1 254	327	318
1983 *1*	1 106	− 118	1 480	− 280	− 971	−2 178	− 784	2 088	− 808	465	961
2	1 135	387	− 847	− 577	− 330	−1 241	276	1 219	− 300	278	1 473
3	2 629	190	− 733	− 375	− 873	−2 531	1 587	1 501	−1 588	193	1 693
4	..	..	−1 631	− 357	..	..	933	..	..	..	..

[1] Inflows (+), outflows (−); Relationships between columns: 1+2+3+4+5+6+7+8+9+10 = zero; 7+8+9+10 = 11
[2] Retained in UK (+), retained abroad (−).
[3] Includes accruals adjustment.
[4] Cash expenditure on subsidiaries and trade investments in the UK.
[5] The NBR seasonal adjustments include day-of-week adjustments the quarterly figures therefore do not always sum to the annual totals.
[6] Includes Bank of England Issue Department transactions in commercial bills.

Industrial and commercial companies capital account and financial surplus/deficits

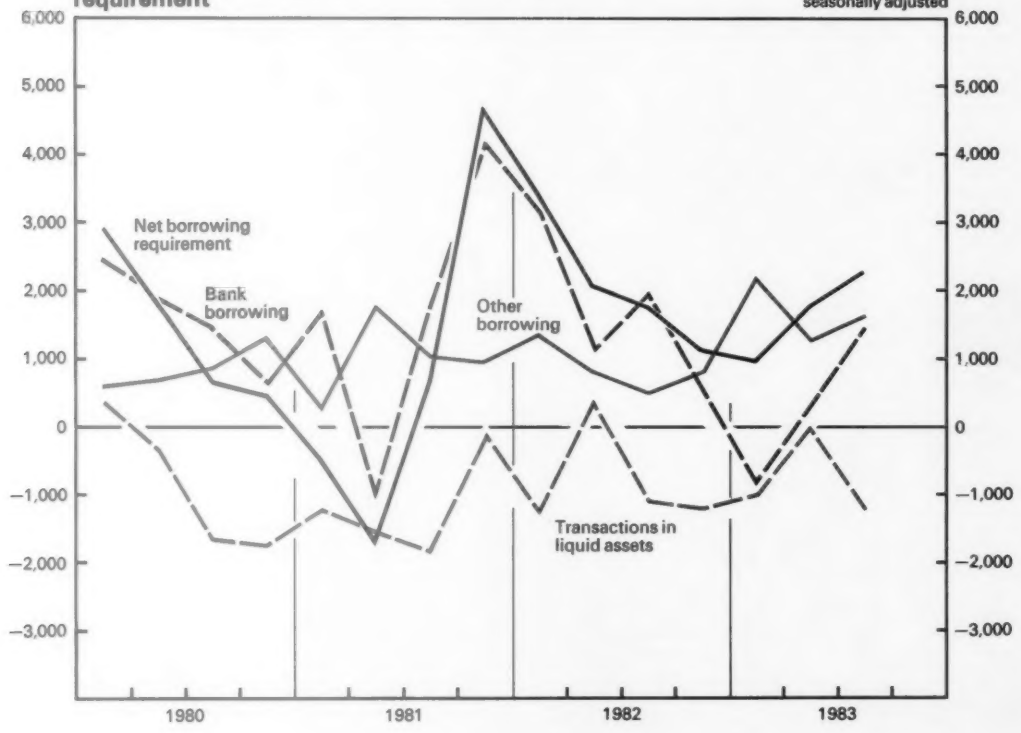
£ million seasonally adjusted



[1] Corresponds to the increase in book values of stocks and work in progress which is equal to the value of physical increase plus stock appreciation

Industrial and commercial companies net borrowing requirement

£ million seasonally adjusted



UK banks' lending[1] to UK residents

£ million, seasonally adjusted[2]

	Lending to public sector			Lending to private sector		
	Total	Sterling	Other currencies[3]	Total	Sterling	Other currencies[3]
Transactions						
1979	925	1 540	−615	9 475	8 573	902
1980	1 662	2 374	−712	10 900	9 622	1 278
1981	− 538	252	−790	11 638	8 846	2 792
1982	−2 324	−2 272	− 52	14 576	12 843	1 733
1983	−1 930	−2 066	136	14 925	13 576	1 349
1978 *1*	360	589	−229	784	663	121
2	−1 683	−1 444	−239	1 822	1 443	379
3	209	269	− 60	1 389	1 083	306
4	897	781	116	1 735	1 521	214
1979 *1*	− 682	− 520	−162	2 551	2 318	233
2	459	630	−171	2 584	2 198	386
3	276	427	−151	1 952	1 935	17
4	548	679	−131	2 388	2 122	266
1980 *1*	− 28	144	−172	2 681	2 358	323
2	713	691	22	3 497	2 663	834
3	− 220	184	−404	3 232	3 087	145
4	1 197	1 355	−158	1 490	1 514	− 24
1981 *1*	1 572	1 487	85	19	−454	473
2	− 848	− 87	−761	3 587	3 619	− 32
3	214	432	−218	3 704	2 516	1 188
4	1 209	−1 313	104	4 061	2 898	1 163
1982 *1*	1 238	1 226	12	2 054	1 644	410
2	−1 148	−1 144	− 4	4 794	4 401	393
3	− 128	− 139	11	3 134	2 989	145
4	−2 204	−2 133	− 71	4 861	4 076	785
1983 *1*	872	872	−	2 971	3 425	−454
2	−1 859	−1 839	− 20	5 018	4 449	569
3	− 828	− 778	− 50	3 190	2 013	1 177
4	− 115	− 321	+206	3 746	3 689	57

[1] UK banking sector: changes in assets. From the second quarter 1975 transactions have been entered as far as possible on a cash receipts/payments basis.

[2] The seasonally adjusted quarterly figures do not necessarily add up to the (unadjusted) figures shown for the year as a whole. This is because, as well as allowing for purely seasonal factors, the adjustments attempt to remove other distortions (such as the effect of the particular days of the week on which a quarter begins and ends), which do not necessarily cancel out over a year.

[3] From the second quarter 1975 changes in foreign currency assets have been adjusted to exclude the effect of movements in exchange rates.

UK banks' advances and acceptances to UK residents[1]

£ million

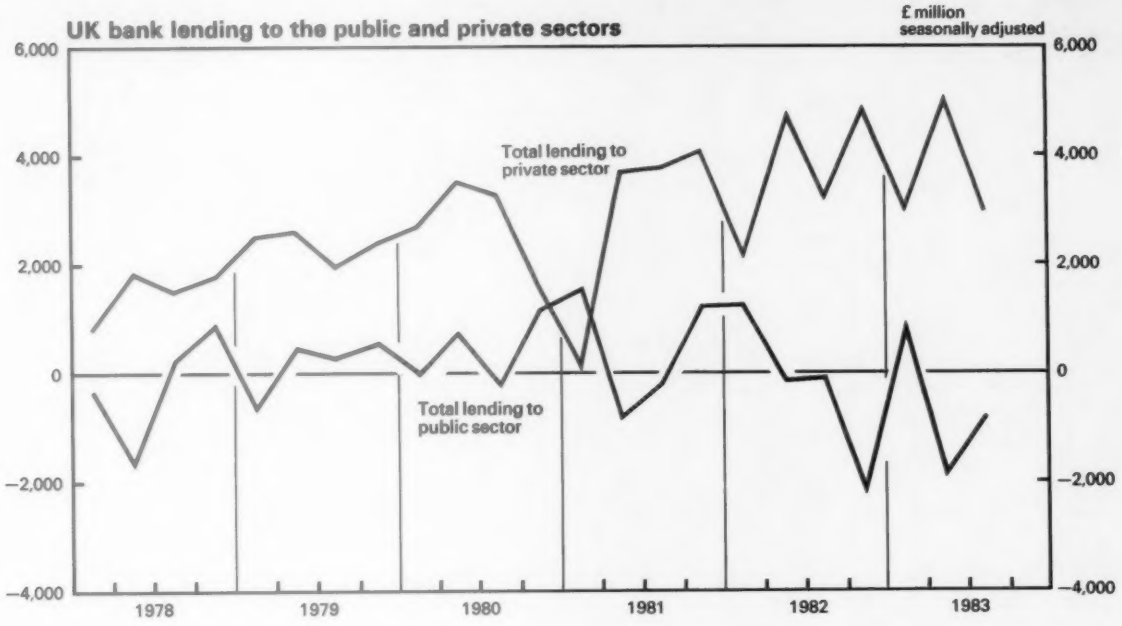
		Total advances and acceptances	Manufacturing	Other production	Financial	Services	Persons
Amounts outstanding (Aug 1983):		116 050†	23 199†	11 644†	22 193†	33 444	25 569†
Changes							
1980	May–August	3 449	1 374	411	245	867	551
	August–November	153	− 429	44	−74	223	389
	November–February	1 628	352	−35	306	550	455
1981	February–May	1 351	− 658	494	190	483	842
	May–August	3 358	417	363	559	810	1 209
	August–November	5 370	522	256	1 278	2 034	1 280
	November–February[2]	..	..	..	..	..	..
1982	February–May	5 235	783	316	764	1 692	1 680
	May–August	4 518	725†	372	920	492	2 008
	August–November	4 133†	225	517	458	1 069†	1 864†
	November–February[3]	..	..	..	..	..	1 276
1983	February–May	789	−1 098	125†	786†	−414	1 389
	May–August	4 253	627	543	544	780	1 758

[1] For a more detailed breakdown of these figures see *Financial Statistics* Table 6.7. The analysis covers advances and acceptances in both sterling and foreign currencies provided by banks to their customers and therefore does not include funds placed through the specialised financial markets such as the local authority money market or the finance company deposit market. Acceptances are not granted to persons.

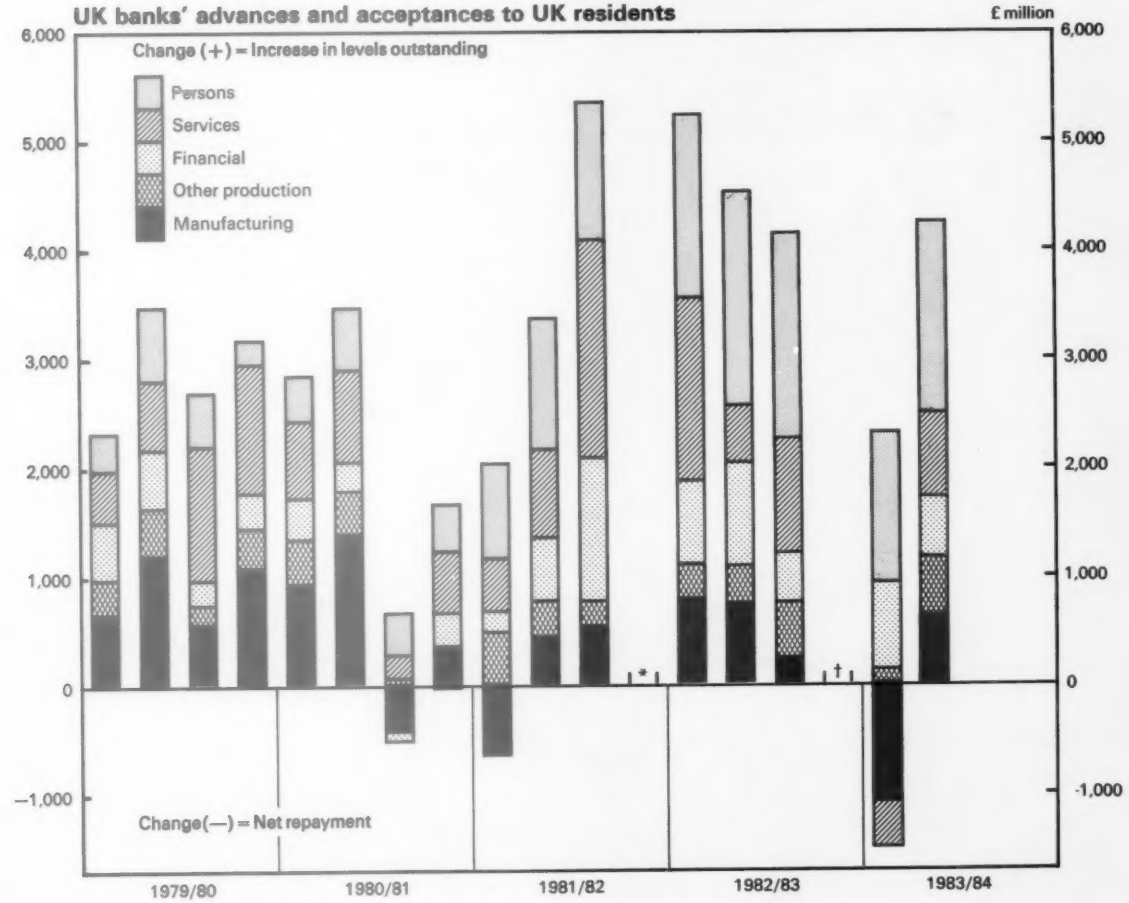
[2] Due to the implementation of the new monetary sector, changes for the November 1981 - February 1982 period cannot be calculated.

[3] From February 1983 market loans to 'UK public corporations' and to 'UK private sector' were classified as advances. In November 1982 these amounted to £2 844 million. Changes for the November 1982 - February 1983 period are therefore not shown, except for lending to persons which is thought not to be affected.

UK bank lending to the public and private sectors



UK banks' advances and acceptances to UK residents



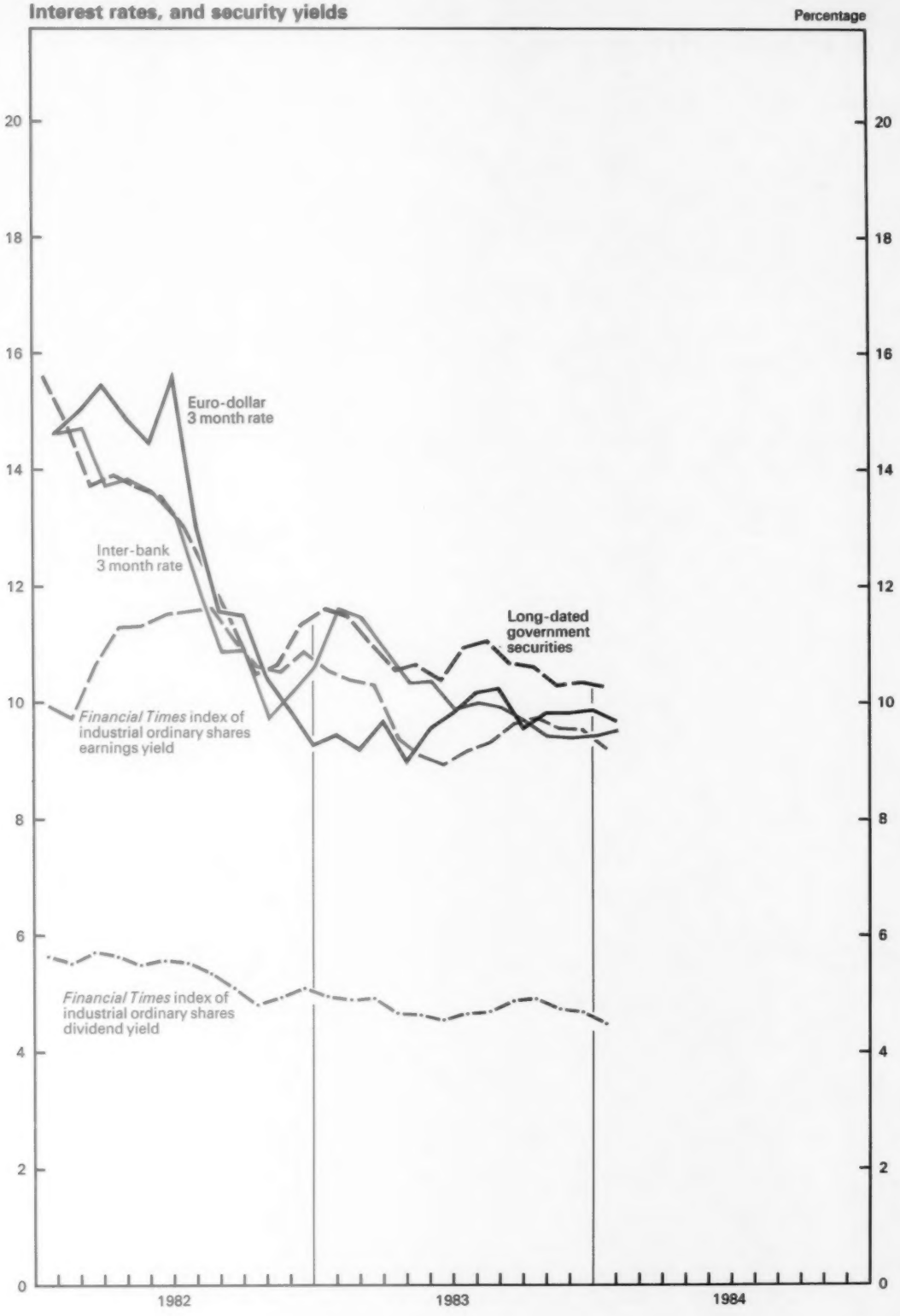
*See footnote[2] page 64 lower table
†See footnote[3] page 64 lower table

Interest rates, security prices and yields

	Percentage rate												
	Last Friday							Last working day	Average of working days				
				London clearing banks							*Financial Times* index of industrial ordinary shares		
											1 July 1935 = 100		
	Bank of England's minimum lending rate to the market[1]	Treasury bill yield[2]	Deposits with local authorities (3 months)[3]	Base rate	Deposit account: 7 days' notice[4]	Inter-bank (3-month rate)[5]	Sterling certificates of deposit (3 months)	Euro-dollar 3-month rate	Building Societies Association recommended rate on shares[6]	British government securities: long dated[7] (20 years)	Price index	Dividend yield	Earnings yield[8]
1975	11½	10.93	11½ -11⅝	11	7	11 1/16-11 3/16	11-11½	5⅝	7.00	14.39	311.0	6.81	19.49
1976	14½	13.98	14½ -15	14	11	14⅛ -14⅜	14 1/16-14¼	5 1/16	7.80	14.43	368.0	5.96	17.61
1977	7	6.39	6½	6½ - 7½	3½ - 4½	6 3/16- 6¼	6⅜ - 6 7/16	7 1/16	6.00	12.73	452.3	5.42	16.50
1978	12½	11.91	12⅜ -12½	12½	10	12 7/16-12⅜	12⅜ -12½	11 1/16	8.00	12.47	479.4	5.65	16.47
1979	17	16.49	16 13/16-17½	17	15	16 13/16-17 1/16	16 11/16-16⅞	14½	10.50	12.99	475.5	6.49	16.61
1980	14	13.58	14⅛ -14⅜	14	11½ -12	14⅜ -14⅜	14⅜ -14⅜	17½	10.50	13.79	464.5	7.62	18.14
1981	..	15.39	15½ -15 11/16	14½	12¼ -12½	15 3/16-15⅜	15⅛ -15⅜	13⅜	9.75	14.75	518.5	6.23	12.12
1982	..	9.96	10⅜	10-10½	6¾ - 7	10 7/16-10⅜	10 3/16-10 5/16	9½	6.25	12.88	574.7	5.29	10.82
1983													
1980 *O*	16	14.90	16⅛ -16⅜	16	14	16⅜ -17	16 3/16-16 11/16	15½	10.50	13.12	483.8	7.59	17.14
N	14	13.38	14½ -14⅝	14	11½ -12	14 7/16-14 11/16	14 3/16-14 7/16	18 5/16	10.50	13.22	493.4	7.35	16.43
D	14	13.58	14⅛ -14¼	14	11½ -12	14⅜ -14¼	14⅜ -14¼	17⅜	10.50	13.67	470.1	7.56	16.93
1981 *J*	14	13.02	13 13/16-13 15/16	14	11½	13⅝ -13 11/16	13½ -13⅝	17 1/16	9.25	13.96	459.6	7.78	17.44
F	14	11.93	12⅝ -12¾	14	11½	12 7/16-12 11/16	12⅛ -12⅜	16 11/16	9.25	13.89	487.0	7.35	16.38
M	12.	11.87	12¾ -12 11/16	12	9	12⅝ -12¾	12½ -12⅝	14⅛	9.25	13.68	497.8	6.78	14.39
A	12	11.57	12 7/16	12	9	12 5/16-12⅜	12⅛ -12 5/16	16 1/32	8.50	13.64	559.2	5.88	11.57
M	12	11.78	12½ -12⅝	12	9	12 7/16-12 5/16	12½ -12⅝	17½	8.50	14.31	557.8	5.91	11.59
J	12	12.24	12 7/16-12⅝	12	9	12 7/16-12⅝	12⅝ -12½	17 1/16	8.50	14.57	545.0	5.92	11.73
J	12	14.29	14⅜ -14¾	12	9	14⅜ -14¾	14½ -14 15/16	18¾	8.50	15.14	528.2	6.01	11.70
A	..	13.64	14 1/16-14⅛	12	9	14 -14 1/16	13 13/16-13 15/16	18 1/16	8.50	15.09	554.4	5.51	9.83
S	..	15.72	15⅜ -15½	14	11-11½	15 5/16-16⅛	15⅜ -15 7/16	17⅞	8.50	15.59	525.0	5.76	9.99
O	..	16.30	16½ -16⅝	15½	13½ -14	16 5/16-16⅜	16⅛ -16¼	15 31/32	8.50	15.95	474.4	6.27	10.85
N	..	14.25	14 13/16-15	15	13	14 13/16-14 15/16	14 11/16-14 13/16	12	9.75	15.44	511.1	5.86	9.92
D	..	15.39	15½ -15 11/16	14½	12¼ -12½	15 5/16-15⅜	15⅜ -15⅜	13⅜	9.75	15.65	522.8	5.76	10.05
1982 *J*	..	13.98	14½	14	11½ -12	14 7/16-14⅜	14 5/16-14 5/16	14⅜	9.75	15.58	543.4	5.57	9.83
F	..	13.74	13 13/16-14	13½	11	14 -14⅛	13⅞ -14	15	9.75	14.74	565.6	5.43	9.62
M	..	12.92	13⅜ -13 11/16	13	10 -10½	13 5/16-13 11/16	13 5/16-13⅜	15 31/32	9.75	13.72	560.4	5.63	10.57
A	..	13.41	13⅜ -13⅝	13	10 -10½	13⅜ -13⅞	13⅜ -13 15/16	14⅞	8.75	13.96	563.6	5.57	11.22
M	..	13.08	13 5/16-13⅜	13	10 -10½	13 5/16-13½	13⅜ -13⅜	14 7/16	8.75	13.69	578.8	5.41	11.25
J	..	12.66	13⅛	12½	9½	13 1/16-13 3/16	13 -13 1/16	15 31/32	8.75	13.56	570.0	5.49	11.45
J	..	11.40	11⅛	12	9	11 13/16-12	11 11/16-11⅞	13	8.75	13.20	559.7	5.47	11.51
A	..	10.17	10⅜	11	8	10 13/16-10⅞	10 5/16-10 11/16	11 5/16	8.75	12.23	561.1	5.28	11.58
S	..	10.12	10⅜	10½	7½ - 7½	10 13/16-10 15/16	10⅜ -10⅜	11½	7.75	11.40	580.6	5.02	11.02
O	..	9.03	10⅛	9½	6	9 5/16-9 7/16	9⅜ - 9½	10 31/32	7.75	10.50	602.0	4.76	10.54
N	..	10.26	9⅞	9	5½	9 11/16-10½	9⅜ - 9⅝	9⅞	7.75	10.64	618.7	4.87	10.44
D	..	9.96	10⅛	10-10½	6¾ - 7	10 7/16-10⅜	10 3/16-10 5/16	9⅞	6.25	11.34	592.8	5.03	10.81
1983 *J*	..	11.24	11½	11	8	11½ -11⅝	11⅜ -11½	9 7/16	6.25	11.60	608.4	4.88	10.50
F	..	11.15	11 7/16	11	8	11 5/16-11½	11 5/16-11 5/16	9 5/16	6.25	11.50	646.5	4.82	10.34
M	..	10.23	10⅛	10½	7½	10 11/16-10⅝	10⅜ -10½	9 11/16	6.25	11.02	659.5	4.87	10.25
A	..	9.92	10 3/16	10	6¾	10 1/16-10 3/16	10 -10⅛	8 31/32	6.25	10.56	685.6	4.60	9.36
M	..	9.93	10⅛	10	6¾	10⅛ -10 11/32	10⅛ -10⅛	9 5/16	6.25	10.65	690.2	4.58	9.04
J	..	9.51	9 11/32	9½	6	9⅜ - 9⅝	9⅜ - 9⅜	9 11/32	6.25	10.39	716.6	4.47	8.88
J	..	9.62	9⅝	9½	6	9⅝ -10	9 11/16- 9⅝	10 1/16	7.25	10.95	697.9	4.60	9.12
A	..	9.56	9 11/32	9½	6	9 11/32- 9 13/32	9 11/16- 9 11/32	10⅛	7.25	11.07	724.4	4.62	9.27
S	..	9.17	9 11/32	9½	6	9 1/16- 9 11/32	9 1/16- 9 1/16	9 5/16	7.25	10.67	704.3	4.81	9.59
O	..	9.03	9 1/16	9	5½	9 1/16- 9⅜	9 11/32- 9½	—	7.25	10.61	693.5	4.87	9.67
N	..	9.06	9⅜	9	5½	9 1/16- 9 11/32	9 1/16- 9½	9 11/32	7.25	10.29	724.8	4.69	9.50
D	..	9.04	9 1/16	9	5½	9 11/32- 9 13/32	9½ - 9 5/16	9⅜	7.25	10.35	759.5	4.62	9.47
1984 *J*	..	9.06	9⅜	9	5½	9 7/16- 9½	9 5/16- 9⅜	9 11/32	7.25	10.28	810.6	4.41	9.16
F	..	9.05	9 1/16	9	5½	9 1/16- 9⅜	9 3/32- 9 11/32	10⅛	7.25	10.42	814.6	4.50	9.48

[1] Previously known as Bank Rate. From 20 August 1981 the Bank has suspended the announcement of Minimum Lending Rate.
[2] Average discount rate expressed as the rate at which interest is earned during the life of the bills.
[3] For a minimum term of 3 months and thereafter at 7 days' notice.
[4] Rate paid on deposits of less than £10,000, which was restricted to 9½% from September 1973 to 28 February 1975.
[5] Spread of rates over the day in the inter-bank sterling market; from June 1982 rates are the spread at 10.30 a.m.
[6] Net of income tax where this is paid by societies at the agreed composite rate.
[7] Averages of Wednesdays until February 1980; from March 1980 figures are the average of all observations (3 a week); from January 1982 average of working days. Calculated gross redemption yields - see *Financial Statistics Explanatory handbook*.
[8] A change in basis of calculation of the Earnings yield occurred on 26 February 1973 and is explained in *Financial Statistics Explanatory handbook*. No meaningful average for 1973 is therefore available.

Interest rates, and security yields



Cyclical indicators for the UK economy

Recent movements of the indicators

(Data to 20 March)

All four composite indices have continued their broad upward movements, suggesting that the economy will remain in the upswing phase of the business cycle through 1984.

Recent increases in the longer leading index have mainly reflected the rise in share prices, although there have also been some smaller upward effects from other components.

The main upward contributions to the shorter leading index since the summer have come from consumer credit, gross trading profits and new orders reported by the CBI quarterly survey. New car registrations have had a downward effect on the index following the high levels reached in the middle of last year.

With the exception of retail sales, which have fallen back a little from the high levels reached at the end of 1983, all components of the coincident index have moved upwards in recent months.

The rise in the lagging index over the latest few months has been caused mainly by improvements over trend in manufacturing employment and in unemployment.

Definitions

This section shows a reference chronology of peaks and troughs representing growth cycles in the UK economy, together with groups of indicator series which have in the past had a consistent timing relationship with the reference cycle. Growth cycles are defined as cyclical movements in the deviations from a long-term trend; thus, the contraction phase of a growth cycle occurs when the rate of growth is below this long-term value.

The historical reference chronology has been determined by examination of a range of series covering aggregate economic activity. Known special economic and climatic factors were discounted in judging the location of reference turning points. The indicators forming each group have been chosen because they have had a consistent timing relationship to the reference chronology, and because there is an economic rationale to account for this relationship.

A composite index for each group of indicators is formed by subtracting from each series the values of its long-term trend, then taking a simple average of the trend-eliminated series after smoothing, scaling to give cycles of similar amplitude, and inversion where appropriate.

Values and timing characteristics of the composite indices

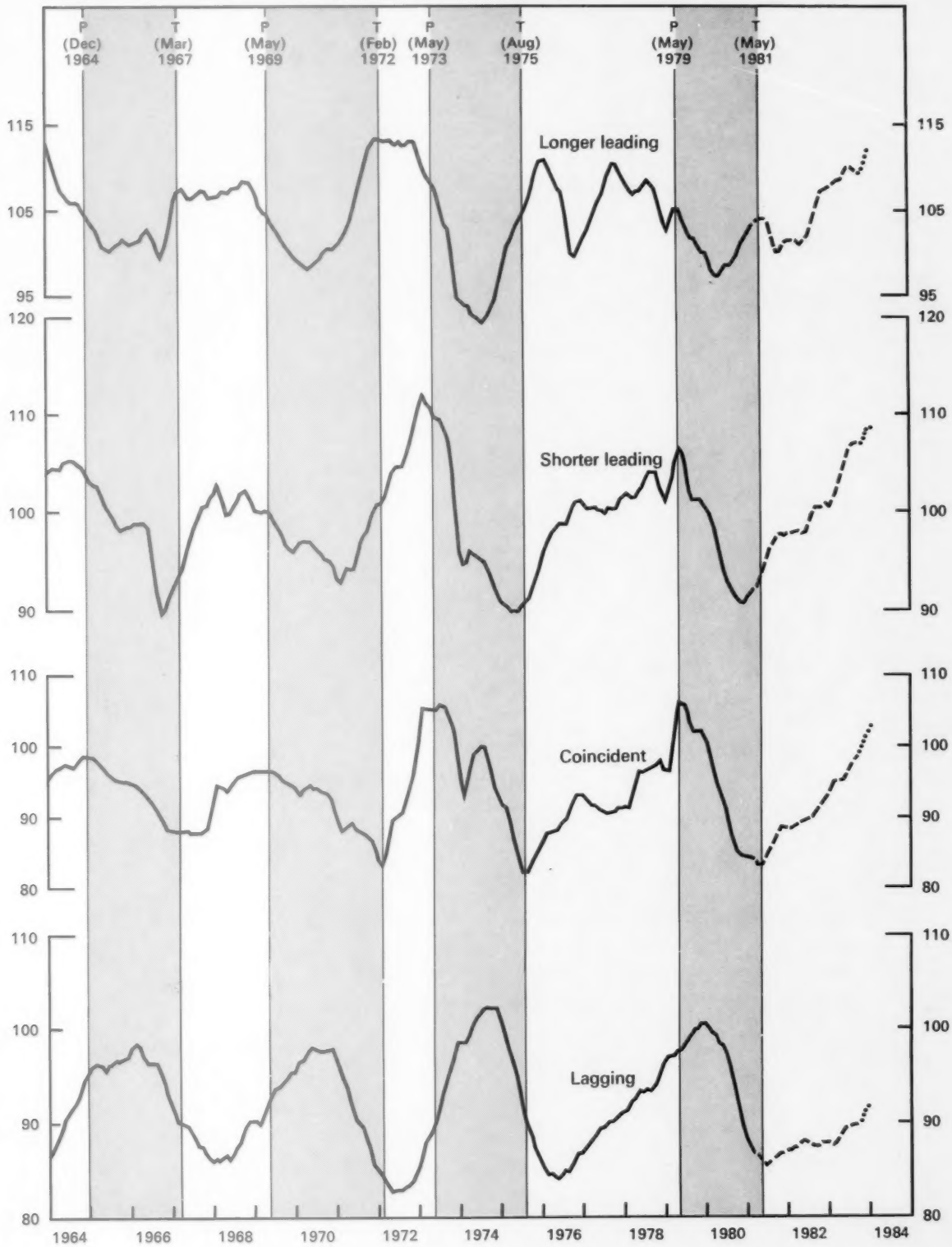
	Most recent values January 1980 = 100													Lead (−) or lag (+) in months relative to reference cycle dates		
	1983											1984				
	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mean	Earliest	Latest
Longer leading	108.0 *5*	108.4 *5*	108.7 *5*	108.7 *5*	109.6 *5*	110.3 *5*	110.2 *5*	109.9 *5*	109.4 *4*	109.9 *4*	111.1 *4*	111.9 *4*	112.0 *2*	−12	−21	− 5
Shorter leading	101.4 *5*	102.1 *5*	103.7 *5*	104.4 *5*	105.4 *5*	106.3 *5*	106.6 *5*	106.8 *5*	107.0 *5*	107.4 *5*	107.8 *5*	108.0 *4*		− 5	−12	—
Coincident	95.3 *7*	95.5 *7*	95.7 *7*	95.8 *7*	96.5 *7*	97.2 *7*	98.1 *7*	94.4 *7*	100.9 *7*	102.1 *7*	102.4 *7*	102.9 *4*		—	− 7	+ 5
Lagging	87.9 *5*	88.3 *5*	89.0 *5*	89.7 *5*	90.0 *5*	90.4 *5*	90.5 *5*	91.2 *5*	92.0 *5*	93.2 *5*	93.5 *4*	93.9 *2*		+10	+ 1	+17

[1] A full explanation of the methodology used is given in *Economic Trends*, No. 257, March 1975 and No. 271, May 1976. Each month a chart of the composite indicators is published with, in the February, May, August and November issues, a further ten pages showing individual indicator series.

[2] In the table, the upper row presents the values of the composite indices for recent months, the lower row the number of series used to form each index. Values of the composite indices are published solely in order to show more precisely the shape of the graphs in recent months. The values are subject to revision each month, both because of revisions to the series from which they are formed and because of the nature of the trend-elimination process used in their calculation; no significance, therefore, should be attached to the current levels of the indicators, although the month-to-month changes may be used as a guide to the location of turning points. On the charts the parts of the curves which are liable to revision in the trend-elimination process are shown in pecked lines; where the composite indices are based on an incomplete set of indicators, the curves are shown as dotted lines. Additional tables giving the values of all series used are available from the CSO.01-233 7661.

Cyclical indicators

Composite indices of indicator groups. January 1980 = 100



Measures of variability of selected economic series[1]

	Page	Period covered	Average percentage changes $\overline{CI}$	$\overline{I}$	$\overline{C}$	$\overline{I/C}$	MCD or QCD	$\overline{I/C}$ for MCD (or QCD) span
Quarterly series								
National income and components at 1975 prices								
GDP, factor cost								
Expenditure based	6	1st quarter 1968 to 1st quarter 1981	1.2	0.8	0.7	1.1	2	0.5
Income based	6	1st quarter 1968 to 1st quarter 1981	1.2	0.9	0.8	1.1	2	0.3
Output based	6,28	1st quarter 1968 to 2nd quarter 1981	1.0	0.6	0.7	0.9	1	0.9
Average estimate	6	1st quarter 1968 to 1st quarter 1981	1.0	0.6	0.7	0.9	1	0.9
Consumers' expenditure	8,10	1st quarter 1968 to 2nd quarter 1981	1.2	0.8	0.8	0.9	1	0.9
Fixed capital formation								
Total	8,16	1st quarter 1968 to 2nd quarter 1981	2.1	1.6	1.1	1.5	2	0.6
Manufacturing industry	18	1st quarter 1968 to 2nd quarter 1981	3.7	2.4	2.4	1.0	2	0.3
Stockbuilding[2]								
Total	8,22	1st quarter 1968 to 2nd quarter 1981	211.5	135.7	128.2	1.1	2	0.5
Manufacturing	22	1st quarter 1968 to 2nd quarter 1981	147.0	93.1	81.6	1.1	2	0.5
Exports: goods and services	8	1st quarter 1968 to 4th quarter 1980	3.3	2.6	1.8	1.4	2	0.6
Imports: goods and services	8	1st quarter 1968 to 4th quarter 1980	2.8	2.2	2.0	1.1	2	0.4
Personal disposable income	10	1st quarter 1968 to 2nd quarter 1981	1.8	1.1	1.3	0.9	1	0.9
Other national income series								
Gross trading profits of companies	60	1st quarter 1968 to 2nd quarter 1981	5.4	2.7	4.3	0.6	1	0.6
Other quarterly series								
Construction output	30	1st quarter 1955 to 2nd quarter 1981	2.3	0.2	1.6	0.8	1	0.8
Public sector borrowing requirement[6]	56	1st quarter 1971 to 2nd quarter 1981	602.0	447.2	256.0	1.8	2	0.9
Monthly series								
Retail sales								
Total: current prices	12	January 1971 to December 1981	1.7	1.3	1.1	1.2	2	0.6
Total: constant prices	5,12	January 1971 to December 1981	1.4	1.3	0.4	3.8	5	0.9
Food retailers	12	January 1971 to December 1981	0.7	0.6	0.3	2.4	3	0.9
Mixed retail businesses	12	January 1971 to December 1981	1.4	1.2	0.4	2.9	4	0.8
Clothing and footwear retailers	12	January 1971 to December 1981	2.0	1.9	0.5	3.6	4	0.9
Household goods retailers	12	January 1971 to December 1981	1.9	1.6	0.8	2.1	3	0.8
Other non-food retailers	12	January 1971 to December 1981	1.2	1.0	0.4	2.4	3	0.9
Cars: new registrations	12	January 1975 to December 1983	9.2	9.1	1.0	9.7	6	
Housing: public authorities[4]								
Starts	20	January 1956 to December 1982	12.7	11.0	2.0	5.5	6	
Completions	20	January 1956 to December 1982	8.5	6.8	1.4	5.0	6	1.0
Housing: private								
Starts	20	January 1956 to December 1982	9.9	8.0	1.9	4.2	6	1.0
Completions	20	January 1956 to December 1982	6.4	5.5	0.5	11.0	6	
Index of industrial production:								
Production industries (Revised definition)	5,26,28	January 1973 to October 1983	1.2	1.1	0.5	2.1	3	0.9
Manufacturing industries (Revised definition)	26,28	January 1973 to October 1983	1.4	1.2	0.5	2.4	3	0.9
Passenger car production:								
Home market	32	January 1968 to December 1981	12.9	12.6	2.0	6.3	6	
Export	32	January 1968 to December 1981	12.8	12.3	2.1	5.9	6	
Commercial vehicle production:								
Home market	32	January 1968 to December 1981	10.6	9.9	2.1	4.7	6	
Export	32	January 1968 to December 1981	10.7	10.2	2.2	4.6	6	1.0
Unemployed excluding school-leavers[5]	5,36	January 1970 to December 1981	23.2	5.4	22.3	0.2	1	0.2
Vacancies notified to employment offices[5]	5,36	January 1970 to December 1981	6.9	2.6	6.3	0.4	1	0.4
Average earnings: whole economy	40	January 1976 to December 1980	1.1	0.2	1.1	0.2	1	0.2
Exports: value, f.o.b.[7]	48	January 1963 to February 1981	4.8	4.5	1.3	3.5	4	0.9
Imports: value, f.o.b.[7]	48	January 1963 to February 1981	4.5	4.2	1.4	2.9	4	0.7
Money stock (sterling M_3)[3]	5,52	July 1971 to December 1977	1.3	0.6	1.2	0.5	1	0.5

[1] For a complete description of these measures see article 'Measuring variability in economic time series' in *Economic Trends*, No. 228, August 1972. The following are brief definitions of the measures.

$\overline{CI}$ is the average month to month (quarter to quarter for quarterly series) percentage change without regard to sign, in the seasonally adjusted series.

$\overline{C}$ is the same for the trend component, a smooth flexible moving average of the seasonally adjusted series.

$\overline{I}$ is the same for the irregular component, obtained by dividing the trend component into the seasonally adjusted series, except for those series which are seasonally adjusted using an additive model, see footnotes[2],[3],[5] and[6].

$\overline{I/C}$ is therefore a measure of the size of the relative irregularity of the seasonally adjusted series.

The average changes $\overline{I}$ and $\overline{C}$ can also be computed successively over spans of increasing numbers of months (quarters). MCD (QCD), months (quarters) for cyclical dominance, is the shortest span of months (quarters) for which $\overline{I/C}$ is less than 1 and therefore represents the minimum period over which changes in the trend are, on average greater than the irregular movement.

[2] The figures in the table were obtained from an additive analysis of stock changes so $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of £ million. At present seasonal adjustment of the published stocks series is done multiplicatively on the level of stocks.

[3] Although the series is seasonally adjusted additively the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are presented as percentages of the level of the trend in the preceding quarter.

[4] Series relate to Great Britain, though variability measures calculated from England and Wales component.

[5] The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of thousands.

[6] The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are differences in units of £ million.

[7] The figures have been updated as described in an article in *Economic Trends*, No. 320, June 1980.

Articles

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United Kingdom balance of payments in the fourth quarter and year 1983

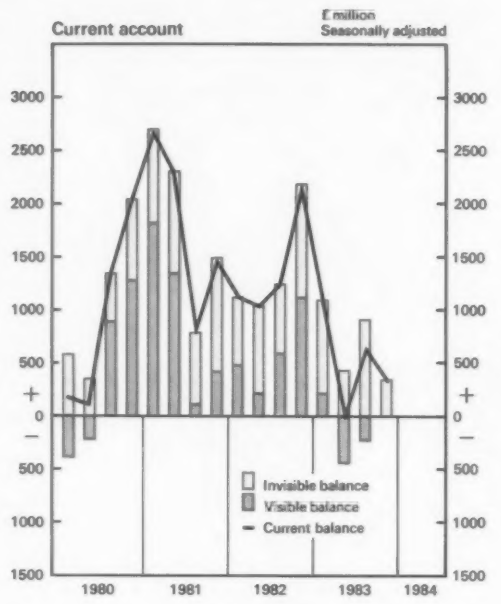
Summary

A surplus on *current account* (seasonally adjusted) of £0.3 billion in the fourth quarter of 1983 brought the surplus for 1983 as a whole to £2.0 billion. The reduction from the surplus recorded in 1982 (£5.6 billion) was concentrated in the visible trade account, which moved from a surplus of £2.4 billion in 1982 to a deficit of £0.5 billion in 1983. The necessarily provisional estimates for invisible transactions in the year show a surplus of £6.6 billion for the private sector and public corporations – a very slight fall from the 1982 figure – but overall (including General Government transactions) the surplus is estimated to have fallen from £3.2 billion in 1982 to £2.5 billion in 1983.

In the fourth quarter of 1983 the visible *trade account* (seasonally adjusted) moved into balance following deficits of £0.2 billion in the third quarter and £0.5 billion in the second. But taking 1983 as a whole there was a fall of £2.9 billion in the visible trade balance as compared with 1982; there was an increase of £2.4 billion in the surplus on oil between the two years, but the deficit on trade in goods other than oil increased by £5.3 billion.

The surplus on *invisible* transactions (seasonally adjusted) in the fourth quarter of 1983 is estimated at £0.3 billion, £0.6 billion less than in the preceding quarter. The main factor behind this fall was government transactions with EC institutions which resulted in a net payment of £0.4 billion following a payments balance in the third quarter.

For 1983 as a whole the surplus on the services account was £0.5 billion higher than in 1982. Financial and other services net earnings increased by £0.9 billion but the sea dry cargo account deteriorated by £0.5 billion. There was a reduction of £0.9 billion in the surplus on interest, profits and dividends between 1982 and 1983. Within debits, direct investment earnings due to overseas parent companies grew particularly



Summary balance of payments

TABLE A

	£ million										
				1982				1983			
	1981	1982	1983	1st qtr	2nd qtr	3rd qtr	4th qtr	1st qtr	2nd qtr	3rd qtr	4th qtr
				Seasonally adjusted							
Visible trade (balance)	+3 652	+2 384	– 500	+ 471	+ 211	+ 588	+1 114	+ 203	– 460	– 248	+ 5
Invisibles (balance):											
Services	+4 249	+3 874	+4 389	+1 096	+1 052	+ 807	+ 919	+1 121	+1 273	+ 959	+1 036
Interest, profits and dividends	+1 338	+1 402	+ 480	+ 29	+ 385	+ 398	+ 590	+ 291	– 172	+ 299	+ 62
Transfers	–1 967	–2 109	–2 320	– 489	– 621	– 556	– 443	– 521	– 678	– 357	– 764
Total	+3 620	+3 167	+2 549	+ 636	+ 816	+ 649	+1 066	+ 891	+ 423	+ 901	+ 334
Current balance	+7 272	+5 551	+2 049	+1 107	–1 027	+1 237	+2 180	+1 094	– 37	+ 653	+ 339
				Not seasonally adjusted							
Current balance	+7 272	+5 551	+2 049	+1 216	+ 360	+1 214	+2 761	+1 021	– 687	+ 663	+1 052
Investment and other capital transactions	–7 352	–3 258	–2 044	– 132	+ 131	–1 032	–2 225	– 477	+ 539	+ 831	–2 937
Allocation of SDRs	+ 158	–	–	–	–	–	–	–	–	–	–
Official financing:											
Official reserves (drawings on, +: additions to, –)	+2 419	+1 421	+ 603	+ 11	+ 699	– 288	+ 999	+ 652	– 145	– 33	+ 129
Other official financing	–1 732	– 137	+ 213	+ 20	– 38	+ 41	– 160	– 36	+ 13	+ 38	+ 198
Balancing item	– 765	–3 577	– 821	–1 115	–1 152	+ 65	–1 375	–1 160	+ 280	–1 499	+1 558

strongly. Credits from UK portfolio investment overseas also increased strongly, by £0.8 billion, but this is partly linked with a reduction in the net inflow of interest from UK banks' borrowing and lending in foreign currencies. The deficit on general government transfers increased by £0.2 billion between 1982 and 1983. As in previous years substantial revisions to data on invisibles are possible as later information becomes available.

At this stage information on *capital account* movements in the fourth quarter of 1983 is incomplete but identified transactions show a sharp turnround from the inflow in the third quarter to an outflow of £2.9 billion (not seasonally adjusted) in the fourth. There were two major causes of this; a net outflow of £1.0 billion as a result of foreign currency borrowing and lending by UK banks (in the third quarter there was a net inflow of £1.3 billion), and a much smaller inflow of overseas investment to the United Kingdom private sector in the fourth quarter (£0.4 billion compared with £1.4 billion in the third quarter). In the fourth quarter of 1983 the outflow on investment and other capital transactions (excluding official financing) together with unidentified transactions amounted to £1.4 billion against £0.7 billion in the third quarter. The total net outflow together with official financial transactions amounted to £2.0 billion in 1983, reflecting the recorded surplus on current account and implying a corresponding increase in the United Kingdom's net external assets. The build-up of net overseas assets was less marked in 1983 than in 1982 with the major identified changes between the two years occurring under three headings: the flow of overseas investment into the United Kingdom private sector increased, UK banks' foreign currency borrowing and lending resulted in a much smaller net inflow, and the increase in UK banks' sterling lending to overseas residents was less than in 1982. The flow of UK private investment overseas remained unchanged.

Visible trade

TABLE B (See also Appendix Tables 2 and 3)

	Seasonally adjusted			
			1983	
	1982	1983	3rd qtr	4th qtr
Value (£ million)				
Exports	55 565	60 658	14 862	16 225
Imports	53 181	61 158	15 110	16 220
Visible balance	+2 384	−500	−248	+5
Volume (1980 = 100)				
Exports	101.5	102.3	99.3	107.4
Imports	100.7	107.6	106.6	112.7

DETAIL

The exchange rate

The sterling effective exchange rate index stood at 84.3 at the end of 1982 and 82.9 at the end of 1983 (1975 = 100). The fourth quarter average was 83.2 compared with 84.9 in the third. These movements generally reflected the overall strength of the US dollar (which has a 25 per cent weight in the index) which rose against sterling from 1.6175 at the end of 1982 to 1.4520 at the end of 1983. The average for the fourth quarter was 1.4708 compared with 1.5091 in the third.

Visible trade

Visible trade in the quarter was approximately in balance, with a small surplus of £5 million compared with the deficits of £248 million for the previous quarter and £460 million in the second quarter. Although the non-oil deficit was greater by £350 million this was more than completely offset by a rise in the oil surplus of £603 million. The oil surplus reached £2 124 million in the quarter, while the non-oil deficit stood at £2 119 million.

Exports in the quarter were valued at £16 225 million, an increase of £1 363 million over the third quarter. Exports of oil rose by £540 million whilst those of other goods increased by £823 million – exports of finished manufactures were particularly buoyant. The increase in volume of total exports was about 8 per cent between the quarters and the underlying level, having fallen in the middle of the year, rose during the second half of 1983 and in the quarter was higher than at the start of the year.

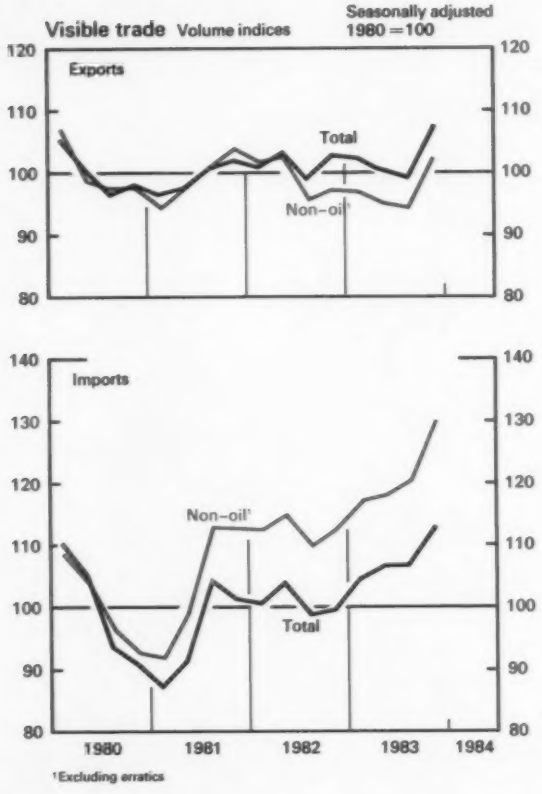
Imports in the quarter were valued at £16 220 million, £1 110 million higher than in the third quarter. There was a small fall (£63 million) in oil imports but a substantial rise (£1 173 million) in other imports. The greatest increase occurred in semi-manufactures and in finished manufactures other than consumer goods. In volume terms total imports rose by 5½ per cent between the quarters and the underlying trend continued to rise.

The terms of trade index fell marginally in the quarter as the export and import unit value indices rose by 1 and 1½ per cent respectively.

For 1983 as a whole, visible trade was in deficit by £500 million compared with a surplus of £2 384 million for 1982 – a fall of £2 884 million. An increase in the surplus in trade in oil of £2 446 million was more than offset by an increase in the deficit on other goods – mainly in manufactures – of £5 330 million.

The value of exports was 9 per cent higher in 1983 than in 1982. The increase in volume was 1 per cent. Imports in value terms were some 15 per cent higher – 7 per cent higher in volume.

The terms of trade fell by less than ½ per cent between 1982 and 1983 as export and import unit value indices rose by 8½ per cent and 9 per cent respectively.



Invisibles

The surplus on invisibles in the quarter is estimated at £334 million compared with £901 million in the preceding quarter. This fall was mainly accounted for by an increase of £407 million between the quarters in the deficit on transfers; the surplus in services rose by £77 million but that on interest, profits and dividends fell by £237 million. Comparing the preliminary 1983 figure with 1982 the annual surplus on invisibles shows a fall of £618 million, down to £2 549 million as against £3 167 million. Within this overall change there were widely different movements; the surplus on services rose by £515 million, the surplus on interest, profits and dividends fell by £922 million and the deficit on transfers increased by £211 million.

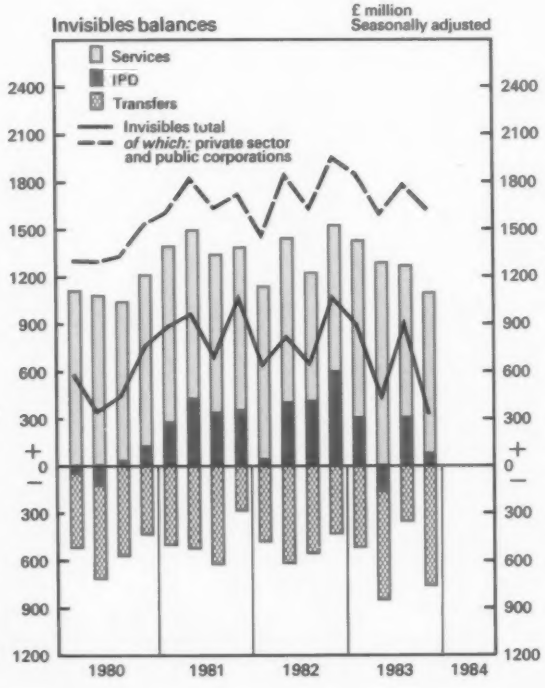
Invisibles

TABLE C (See also Appendix Table 4)

	Seasonally adjusted			
	£ million			
			1983	
	1982	1983	3rd qtr	4th qtr
Credits	31 742	33 637	8 586	8 596
Debits	28 575	31 088	7 685	8 262
Balance	+3 167	+2 549	+901	+334
of which:				
Private sector and public corporations services and IPD	+6 877	+6 820	+1 774	+1 622
General government transactions and private transfers	−3 710	−4 271	−873	−1 288

Services

The surplus on services increased in the fourth quarter by £77 million as the increase in credits exceeded that for debits. The balances on the civil aviation, travel and other services accounts improved whilst the deficit on the sea transport account increased. In volume terms exports of services rose by 1 per cent and import of services showed little change.



For 1983 as a whole, the surplus on services is estimated to be £4 389 million – an increase of £515 million over 1982. Improvements in civil aviation, travel, and financial and other services more than offset the sizeable worsening in the dry cargo account. In volume terms exports of services rose by about 1 per cent whereas imports fell by nearly 3 per cent.

Services

TABLE D (See also Appendix Tables 3 and 5)

	Seasonally adjusted			
	£ million			
			1983	
	1982	1983	3rd qtr	4th qtr
Credits				
Government	437	488	114	103
Sea transport	3 563	3 175	805	830
Civil aviation	2 471	2 665	665	674
Travel	3 168	3 685	902	949
Financial services	2 145	2 637	622	626
Other services	5 818	6 380	1 571	1 642
Total	17 602	19 030	4 679	4 824
Volume: total services credits (1980 = 100)	92.1	92.9	91.4	92.4
Debits				
Government	1 238	1 322	343	326
Sea transport	3 905	3 975	958	1 077
Civil aviation	2 080	2 237	567	570
Travel	3 640	4 050	1 068	1 029
Other services	2 865	3 057	784	786
Total	13 728	14 641	3 720	3 788
Volume: total services debits (1980 = 100)	98.5	95.8	97.7	97.9
Balance	+3 874	+4 389	+ 959	+1 036
of which:				
Private sector and public corporations	+4 675	+5 223	+1 188	+1 259
General government	– 801	– 834	– 229	– 223

Sea transport

Provisional estimates of sea transport transactions show that there was an increase of £94 million in the overall deficit on sea transport in the quarter with a further deterioration in the deficit on dry cargo shipping.

Dry cargo shipping credits rose in the quarter due to UK operators' higher passenger and freight receipts. Debits rose due to higher foreign operator earnings from carrying UK imports.

For tankers, while debits and credits both rose in the fourth quarter reflecting increased UK shipping activity, higher UK operators' disbursements abroad caused a greater increase in debits than in credits.

For the year 1983, the overall sea transport deficit was substantially greater than in 1982 and previous years. All the deterioration can be attributed to the dry cargo account as the surplus on tankers remained constant.

Dry cargo credits fell significantly in 1983, with all components with the exception of passenger revenue declining. Debits, on the other hand, rose substantially – by far the largest increase being recorded for freight on imports. All components of debits increased with the exception of charter payments.

Although all the significant components in the tanker account declined, reflecting reduced UK operator activity, the surplus on tankers experienced in 1982 was maintained into 1983 as credits and debits fell by similar amounts.

Civil aviation

The balance on civil aviation in the fourth quarter was little changed from the third. Both credits and debits rose as UK airlines' passenger revenue and overseas airlines' passenger revenue increased.

For the year 1983, the surplus improved by £37 million on the £391 million recorded for 1982 – both credits and debits rose with the increase in credits exceeding that for debits. Within credits UK airlines earnings increased strongly – and easily offset the small fall in overseas airlines' disbursements in the United Kingdom. Within debits, increases were recorded for overseas airlines' passenger revenue and UK airlines' disbursements abroad.

Travel

The deficit on the travel account decreased by £86 million in the fourth quarter as credits increased and debits fell. Credits rose by 5 per cent as visits to this country increased by 4 per cent and average expenditure increased slightly. Debits fell 3½ per cent as the rise in the number of visits overseas of 1 per cent was more than offset by falling average expenditure.

For the year 1983, a deficit of £365 million was recorded compared with one of £472 million in the previous year – both credits and debits rose with the increase in credits exceeding that for debits. Credits increased by 16 per cent as the number of visits to the United Kingdom was higher by 7 per cent and net average expenditure rose by a similar amount. The largest increase in the number of visits was from North America – up by over a third, but all other regions showed increases. Western Europe (excluding EC) rose by 7 per cent and the European Community (EC) and other areas rose by 1 per cent. Debits increased by 11 per cent in 1983 mainly due to higher average expenditure as the number of overseas visits by UK residents rose by only 1 per cent: falls in the numbers of visits to North America and to the European Community were offset by increases in visits to other destinations.

Financial and other services

For 1983 as a whole, the surplus on financial and other services increased by £862 million over 1982 – the increase in credits greatly exceeding that for debits. Within credits most components rose – a significantly large increase being recorded for insurance (particularly Lloyds).

Interest, profits and dividends

The balance on interest, profits and dividends (IPD) continued to move erratically, with a reduced surplus of £62 million in the fourth quarter. The annual total surplus was much smaller than in recent years at £480 million.

Interest, profits and dividends

TABLE E (See also Appendix Table 6)

	Seasonally adjusted			
	£ million			
			1983	
	1982	1983	3rd qtr	4th qtr
Credits				
Direct[1]	3 031	3 220	914	827
Portfolio	1 580	2 409	620	693
£ lending by UK banks and export credit	1 648	1 869	463	449
Foreign currency borrowing and lending by UK banks (balance)	1 454	514	32	170
Banks deposits and lending overseas	635	566	148	144
Other	2 642	2 788	816	749
Total	10 989	11 366	2 993	3 032
Debits				
Direct[1]	2 293	3 005	852	729
Oil companies	2 621	3 051	611	1 050
Portfolio	1 041	1 089	284	277
Foreign currency borrowing by general government	402	428	118	108
Sterling liabilities	2 253	2 385	596	575
Other	977	928	233	231
Total	9 587	10 886	2 694	2 970
Balance	+1 402	+ 480	+299	+62
of which:				
Private sector and corporations	+2 202	+1 597	+586	+363
General government	− 800	−1 117	−287	−301

[1] Excluding earnings of oil companies.

Credits recovered in the second half of 1983, but the growth of about 3½ per cent in the year as a whole was only about half that in 1982 despite the continued fall in the effective exchange rate for sterling (which has the effect of boosting the sterling value of earnings originally expressed in foreign currency). Net inflows of foreign currency interest to UK banks fell very substantially in 1983 but this effect was partly offset by growth in portfolio investment earnings by banks as their type of lending changed. Even so, banks' total earnings from these two sources are estimated to have been lower than in 1982. The growth in total debits was erratic with a rise of about 14 per cent in the year as a whole. This was nearly double that in 1982, mainly reflecting the strong growth in direct investment earnings due abroad as UK companies emerged from recession and faster growth in profits due abroad from the UK Continental Shelf.

Oil companies' earnings

UK oil companies' earnings from overseas investments were slightly reduced in the fourth quarter partly reflecting the cost of unsuccessful exploration. Nonetheless there was a substantial improvement in earnings in 1983 after several years on a downward trend. Much of the improvement was attributable to the strength of the dollar, but there was also a return to greater price stability and stronger demand for oil in the second half of the year.

Overseas oil companies' earnings from their United Kingdom operations recovered strongly in the fourth quarter and in 1983 as a whole, the annual total exceeding the previous peak in 1980. Movements in the total mask the fact that earnings from the Continental Shelf have continued to increase steadily in recent years as the large investments begin to produce a return, whereas onshore earnings have fallen markedly over the period and are only just beginning to show signs of recovery as demand for oil products stabilises.

Non-oil companies' direct investment earnings

The effects of growth in the US economy and the strongly rising dollar on the substantial UK direct investment in the United States were not sufficient to bring total fourth quarter earnings up to the third quarter level. Earnings in 1983, at £3 220 million, were some 6 per cent higher than in 1982 reflecting the fall in the sterling exchange rate against some of the major currencies in which earnings are made.

Direct investment earnings by UK affiliates of overseas companies, though falling back in the fourth quarter, rose by over 30 per cent in 1983, suggesting that UK companies may have been emerging more securely from recession following rather hesitant recovery in the previous year.

Other IPD credits

UK portfolio investment earnings from overseas continued on a strong upward trend in the fourth quarter. For 1983, the estimated earnings were £2.4 billion – 50 per cent more than in 1982. This increasing return is a consequence of continued large outflows of portfolio investment and also, to a lesser extent, the fall in the exchange rate.

The net inflow of interest from foreign currency borrowing and lending by UK banks recovered from the low third quarter value. Inflows for 1983 were only £0.5 billion, compared with £1.5 billion in the previous year but most of this reduction arises through the availability, for 1983, of data on banks' portfolio investment earnings previously reported indistinguishably with their net interest earnings from foreign currency borrowing and lending; portfolio earnings appear in a different part of the IPD account. A more valid comparison is thus given by banks' total earnings from both types of transaction together, which probably fell by less than £0.5 billion between the two years.

Sterling lending overseas by UK banks produced increased earnings in 1983 but the fall in interest rates throughout the year resulted in a downward trend after the first quarter despite continued growth in lending.

Other IPD debits

Falling interest rates throughout 1983 also resulted in a downward trend in interest payable overseas on sterling deposits held with UK banks, although the total for 1983 was slightly greater than in 1982 because of a higher underlying level of liabilities.

Transfers

The deficit on Government transfers increased substantially in the fourth quarter as the balance on transactions with the EC showed a deficit of £443 million compared with the exceptionally favourable surplus of £2 million for the previous quarter. Credits fell back from the high third quarter level, with lower receipts from the Social Fund and the Agricultural Guidance and Guarantee Fund. Debits rose from the low third quarter level and included high VAT payments resulting from the implementation of the supplementary budget.

Transfers

TABLE F (See also Appendix Table 7)

	Seasonally adjusted			
	£ million			
			1983	
	1982	1983	3rd qtr	4th qtr
Credits				
Private	994	1 070	270	273
Government - EC				
Agricultural Fund	791	1 060	317	233
Social Fund	152	122	49	– 6
Regional Development Fund	111	130	62	32
Budget refunds	1 019	807	202	201
Other	84	52	14	7
Total government	2 157	2 171	644	467
Debits				
Private	1 262	1 323	333	338
Government - EC	2 878	2 998	642	910
- Bilateral aid	496	573	134	112
- Other	624	667	162	144
Balance	– 2 109	– 2 320	– 357	– 764

For the year 1983, the deficit on government transfers increased by £226 million over 1982: credits remained more or less steady as a decrease in the budget refunds was offset by an increase in other receipts from the EC – in particular from the Agricultural Guidance and Guarantee Fund. On the other hand debits continued to increase: there were higher payments to the EC and higher bilateral aid expenditure, resulting in an increase of £240 million in the total.

Investment and other capital transactions

There was a net identified outflow of capital amounting to £2.9 billion in the fourth quarter, more than offsetting inflows in the previous two quarters. The major change between the third and fourth quarters was a £2.4 billion turnround, from inflow to outflow, in the UK banks' foreign currency borrowing and lending abroad. The banks' net inflow from sterling business was also reduced. At the same time investment in the United Kingdom was well down on the previous quarter's total.

In 1983 as a whole the picture was rather different. There was an identified net outflow of £2.0 billion; less than in 1982 and much less than in 1981. Inflows of investment into both the public and private sectors of the United Kingdom roughly doubled to £6.4 billion between 1982 and 1983 whereas UK private investment

Investment and other capital transactions

TABLE G (See also Appendix Tables 8 to 13)

	Not seasonally adjusted			
	£ million			
			1983	
	1982	1983	3rd qtr	4th qtr
Overseas investment in:–				
UK public sector	+ 320	+ 693	+ 280	– 12
UK private sector	+ 3 289	+ 5 712	+ 1 441	+ 417
UK private investment overseas	– 10 872	– 10 895	– 2 602	– 2 565
Official long-term capital	– 337	– 562	– 18	– 99
Trade credit	– 1 389	– 1 524	– 360	– 327
Foreign currency borrowing or lending abroad by UK banks	+ 4 271	+ 1 104	+ 1 321	– 1 042
Changes in external £ liabilities	+ 4 520	+ 4 213	+ 762	+ 1 203
External £ lending by UK banks[1]	– 3 299	– 1 440	– 5	– 784
Other external borrowing or lending[2]	– 11	+ 1 231	– 13	+ 337
Other transactions	+ 250	– 576	+ 25	– 65
Total investment and other capital transactions	– 3 258	– 2 044	+ 831	– 2 937
*of which:–				
Certain UK private sector transactions with banks overseas	– 462	..	– 173	..

[1] Excluding credit for UK exports.
[2] See footnote to Appendix Table 8.

overseas at nearly £11 billion was unchanged in total. The net inflow of foreign currency to UK banks as a result of external borrowing and lending was some £3 billion lower in 1983 but increased net inflows of sterling offset about half of this. Within the sterling totals, lending to overseas residents, other than to finance UK exports, was much reduced in 1983 and at its lowest since the abolition of exchange controls in 1979.

Overseas investment in the United Kingdom

Net new investment in the United Kingdom was unusually low in the fourth quarter; direct investment in non-oil companies was small and investment in oil companies apparently fell back sharply from recent higher levels (although estimates are particularly tentative this quarter). However direct investment inflows more than doubled in 1983 as a whole although only about half of that investment was derived from reinvested profits compared with about three quarters in 1982. Portfolio investment in companies rose from £0.1 billion in 1982 to £0.9 billion in 1983. Investment in the UK public sector also rose strongly although inflows from private overseas residents to gilts in the middle of the year were succeeded by a small outflow in the fourth quarter. Oil companies' investment, on the other hand, fell further, despite little change in that going into the UK Continental Shelf in 1983.

UK private investment overseas

Portfolio investment overseas (which includes investment in bonds and other overseas securities by UK banks) appears to have fallen back in recent quarters from the peak levels around the end of 1982 and first half of 1983. The fall has been mainly in institutional

investment by pension funds and insurance companies, and has left the portfolio total for 1983 at much the same level as for 1982. Other types of investment were little changed in total; direct investment abroad by non-oil companies fell a little further from an already low level despite greater profits being reinvested, whilst oil companies' investment – on provisional information – remained fairly strong.

UK banking transactions

External sterling lending (other than trade credit) by UK banks rose in the fourth quarter of 1983 after some reduction in the preceding six months. In the year as a whole such lending was well under half the total for 1982 and the smallest annual total since the abolition of exchange controls. On the other hand, inflows to sterling liabilities (eg bank deposits and official overseas holdings of gilts) continued at a high level of over £4.2 billion in 1983, despite the further reduction in interest rates during the year. The reduced net inflows from foreign currency borrowing and lending by UK banks in 1983 largely reflect the use of deposits from UK rather than overseas residents to finance continued growth in the banks' foreign currency lending overseas. (The deposits made by UK residents are, of course, domestic transactions and do not appear in the balance of payments.) In the fourth quarter of 1983 there was a net outflow of foreign currency equivalent to £1 billion from the banks following large net inflows over the previous two years; the 1983 total net inflow was reduced to £1.1 billion compared with £4.3 billion in 1982.

Official financing

In the fourth quarter of 1983 the official reserves fell by £129 million following a rise of £33 million in the third quarter. Other official financing transactions in the fourth quarter resulted in a net inflow of £198 million, mainly reflecting borrowing by public corporations.

UK Continental Shelf oil and gas programme

The volume and value of both oil and gas sales continued on an upward trend in 1983, the total value being about 18 per cent up on 1982 despite lower oil prices. Profits due to overseas companies on their investments in the Shelf rose by a similar amount but net new investment by parent companies was little changed and total investment in the Shelf, after allowing for repayments of bank borrowing, was somewhat smaller than in 1982.

Revisions

Estimates of interest, profits and dividends and investment transactions have been revised to take account of the 1981 Census of Overseas Assets. The census, which is held every three years, has resulted in changes from 1979 in both direct investment earnings and direct investment transactions. The revisions to estimates of UK earnings from overseas investment have been small: those to overseas earnings from the United Kingdom have been a little larger, having the effect of reducing debits by about £0.1 billion in each year 1979–81 and increasing them by a similar amount in 1982. The investment revisions have varied in direction from year to year with the major changes being to the estimates of UK investment overseas. These were increased by £0.3 billion for 1979 and reduced by £0.1 billion for 1980 with little change to other years.

UK Continental Shelf oil and gas

TABLE H (See also Appendix Table 14)

	Not seasonally adjusted			
	£ million			
			1983	
	1982	1983	3rd qtr	4th qtr
Volume of sales				
Gas (billion, cubic metres)	35.5	37.2	4.6	11.5
Oil (million tonnes) ..	101.9	115.3	29.1	31.2
	£ million			
Value of sales				
Gas	957	1 154	157	389
Oil	14 431	16 996	4 300	4 636
Balance of payments entries				
Imports of goods	− 451	− 409	− 126	− 58
Imports less exports of services	− 676	− 626	− 168	− 155
IPD due abroad	− 2 623	− 2 973	− 595	− 940
Overseas investment in UKCS etc.	+ 1 040	+ 809	+ 423	− 60

See footnotes to Appendix Table 14

Technical note

The balance of payments treatment of gold transactions other than those relating to the official reserves has been changed with effect from 1980 onwards. The visible trade account now includes only gold acquired by UK residents outside the London Gold Market or monetary sector for industrial use (ie the manufacture of jewellery, medals and proof coins, electronics, dentistry, etc) and exports of similar goods. All other gold transactions are deemed to be in gold held as an external financial asset and are included in investment and other capital transactions. Transactions by the monetary sector (including the London Gold Market members within that sector) are unchanged: they continue to be recorded under 'Foreign currency borrowing or lending abroad by UK banks' in all years, while those by other UK residents (including the other members of the London Gold Market) are recorded within 'Other external borrowing or lending'. Revisions to the visible trade account were published on 29 February and amounted to: 1980 £0.3 billion; 1981 £0.6 billion; 1982 £0.3 billion; 1983 £0.4 billion. These incorporated the adjustments described above, together with revisions to take account of an earlier data error. In addition, the change in treatment has the effect of moving from the visible trade account to the capital account the following net flows: 1980 £0.4 billion; 1981 £0.2 billion; 1981 £−0.5 billion; 1983 £0.2 billion. (Imports and increases in financial assets shown negative, exports and reductions in financial assets shown positive.)

APPENDIX

UNITED KINGDOM BALANCE OF PAYMENTS

SUMMARY

TABLE 1

£ million

		Seasonally adjusted					Not seasonally adjusted					
			Invisibles (balance)									
		Visible trade (balance)	Services	I.P.D.	Transfers	Total	Current balance	Current balance	Capital transfers	Investment and other capital transactions	Allocation of SDRs and gold subscription to IMF	Official financing	Balancing item
1972		-748	+701	+538	-268	+971	+223	+223	-	-673	+124	+1 141	-815
1973		-2 586	+786	+1 257	-436	+1 607	-979	-979	-59	+178	-	+771	+89
1974		-5 351	+1 075	+1 415	-417	+2 073	-3 278	-3 278	-75	+1 602	-	+1 646	+105
1975		-3 333	+1 515	+773	-468	+1 820	-1 513	-1 513	-	+154	-	+1 465	-106
1976		-3 929	+2 503	+1 365	-775	+3 093	-836	-836	-	-2 975	-	+3 628	+183
1977		-2 284	+3 338	+116	-1 116	+2 338	+54	+54	-	+4 166	-	-7 361	+3 141
1978		-1 542	+3 816	+661	-1 777	+2 700	+1 158	+1 158	-	-4 263	-	+1 126	+1 979
1979		-3 449	+4 071	+1 090	-2 265	+2 896	-553	-553	-	+1 835	+195	-1 905	+428
1980		+1 513	+4 267	-51	-2 079	+2 137	+3 650	+3 650	-	-1 455	+180	-1 372	-1 003
1981		+3 652	+4 249	+1 338	-1 967	+3 620	+7 272	+7 272	-	-7 352	+158	+687	-765
1982		+2 384	+3 874	+1 402	-2 109	+3 167	+5 551	+5 551	-	-3 258	-	+1 284	-3 577
1983		-500	+4 389	+480	-2 320	+2 549	+2 049	+2 049	-	-2 044	-	+816	-821
1975	1	-944	+369	+201	-73	+497	-447	-642	-	+103	-	+326	+213
	2	-713	+380	+142	-146	+376	-337	-353	-	+101	-	+572	-320
	3	-1 030	+365	+180	-112	+433	-597	-467	-	+264	-	+213	-10
	4	-646	+401	+250	-137	+514	-132	-51	-	-314	-	+354	+11
1976	1	-524	+581	+294	-194	+681	+157	-111	-	-543	-	+678	-24
	2	-1 048	+561	+350	-167	+744	-304	-342	-	-1 734	-	+1 955	+121
	3	-1 227	+674	+369	-188	+855	-372	-151	-	-658	-	+861	-52
	4	-1 130	+687	+352	-226	+813	-317	-232	-	-40	-	+134	+138
1977	1	-933	+751	+123	-245	+629	-304	-628	-	+1 620	-	-1 913	+921
	2	-917	+842	-11	-279	+552	-365	-454	-	+14	-	-908	+1 348
	3	-166	+866	-11	-321	+534	+368	+701	-	+1 254	-	-2 608	+653
	4	-268	+879	+15	-271	+623	+355	+435	-	+1 278	-	-1 932	+219
1978	1	-562	+914	+72	-531	+455	-107	-408	-	-153	-	-173	+734
	2	-159	+845	+237	-388	+694	+535	+335	-	-2 203	-	+1 494	+374
	3	-557	+1 027	+185	-462	+750	+193	+604	-	-454	-	-210	+60
	4	-264	+1 030	+167	-396	+801	+537	+627	-	-1 453	-	+15	+811
1979	1	-1 433	+1 013	+410	-506	+917	-516	-883	-	+460	+195	-879	+1 107
	2	-479	+954	+107	-503	+558	+79	-138	-	+738	-	-758	+158
	3	-723	+1 056	+401	-610	+847	+124	+568	-	+123	-	-297	-394
	4	-814	+1 048	+172	-646	+574	-240	-100	-	+514	-	+29	-443
1980	1	-404	+1 101	-56	-462	+583	+179	-208	-	-501	+180	-689	+1 218
	2	-247	+1 067	-126	-594	+347	+100	-119	-	+371	-	-246	-6
	3	+889	+1 015	+16	-579	+452	+1 341	+1 557	-	+192	-	-279	-1 470
	4	+1 275	+1 084	+115	-444	+755	+2 030	+2 420	-	-1 517	-	-158	-745
1981	1	+1 814	+1 129	+259	-504	+884	+2 698	+2 708	-	-3 911	+158	-319	+1 364
	2	+1 333	+1 080	+410	-527	+963	+2 296	+1 793	-	-2 002	-	+165	+44
	3	+90	+1 014	+322	-637	+699	+789	+842	-	-1 164	-	+709	-387
	4	+415	+1 026	+347	-299	+1 074	+1 489	+1 929	-	-275	-	+132	-1 786
1982	1	+471	+1 096	+29	-489	+636	+1 107	+1 216	-	-132	-	+31	-1 115
	2	+211	+1 052	+385	-621	+816	+1 027	+360	-	+131	-	+861	-1 152
	3	+588	+807	+398	-556	+649	+1 237	+1 214	-	-1 032	-	-247	+65
	4	+1 114	+919	+590	-443	+1 066	+2 180	+2 761	-	-2 225	-	+839	-1 375
1983	1	+203	+1 121	+291	-521	+891	+1 094	+1 021	-	-477	-	+616	-1 160
	2	-460	+1 273	-172	-678	+423	-37	-687	-	+539	-	-132	+280
	3	-248	+959	+299	-357	+901	+653	+663	-	+831	-	+5	-1 499
	4	+5	+1 036	+62	-764	+334	+339	+1 052	-	-2 937	-	+327	+1 558

VISIBLE TRADE IN THE BALANCE OF PAYMENTS

TABLE 2

£ million

		Not seasonally adjusted		Seasonally adjusted								
		Total goods		Total goods			Of which Oil			Non-oil		
		Exports (f.o.b.)	Imports (f.o.b.)	Exports (f.o.b.)	Imports (f.o.b.)	Visible balance	Exports (f.o.b.)	Imports (f.o.b.)	Visible balance	Exports (f.o.b.)	Imports (f.o.b.)	Visible balance
1972		9 437	10 185	9 437	10 185	-748	222	888	-666	9 215	9 297	-82
1973		11 937	14 523	11 937	14 523	-2 586	344	1 285	-941	11 593	13 238	-1 645
1974		16 394	21 745	16 394	21 745	-5 351	710	4 067	-3 357	15 684	17 678	-1 994
1975		19 330	22 663	19 330	22 663	-3 333	734	3 791	-3 057	18 596	18 872	-276
1976		25 191	29 120	25 191	29 120	-3 929	1 172	5 119	-3 947	24 019	24 001	+18
1977		31 728	34 012	31 728	34 012	-2 284	1 979	4 750	-2 771	29 749	29 262	+487
1978		35 063	36 605	35 060	36 605	-1 542	2 235	4 219	-1 984	32 826	32 386	+442
1979		40 687	44 136	40 687	44 136	-3 449	4 158	4 889	-731	36 529	39 247	-2 718
1980		47 422	45 909	47 422	45 909	+1 513	6 133	5 818	+315	41 289	40 091	+1 198
1981		50 977	47 325	50 977	47 325	+3 652	9 107	5 996	+3 111	41 870	41 329	+541
1982		55 565	53 181	55 565	53 181	+2 384	10 686	6 130	+4 556	44 879	47 051	-2 172
1983		60 658	61 158	60 658	61 158	-500	12 526	5 524	+7 002	48 132	55 634	-7 502
1975	1	4 493	5 543	4 658	5 602	-944	183	931	-748	4 475	4 671	-196
	2	4 822	5 537	4 594	5 307	-713	161	841	-680	4 433	4 466	-33
	3	4 644	5 639	4 806	5 836	-1 030	188	978	-790	4 618	4 858	-240
	4	5 371	5 944	5 272	5 918	-646	202	1 041	-839	5 070	4 877	+193
1976	1	5 665	6 323	5 599	6 123	-524	228	1 148	-920	5 371	4 975	+396
	2	6 252	7 292	6 164	7 212	-1 048	265	1 250	-985	5 899	5 962	-63
	3	6 153	7 336	6 400	7 627	-1 227	304	1 362	-1 058	6 096	6 265	-169
	4	7 121	8 169	7 028	8 158	-1 130	375	1 359	-984	6 653	6 799	-146
1977	1	7 484	8 572	7 437	8 370	-933	471	1 240	-769	6 966	7 130	-164
	2	7 998	8 905	7 914	8 831	-917	515	1 289	-774	7 399	7 542	-143
	3	8 131	8 288	8 354	8 520	-166	564	1 153	-589	7 790	7 367	+423
	4	8 115	8 287	8 023	8 291	-268	429	1 068	-639	7 594	7 223	+371
1978	1	8 198	8 920	8 282	8 844	-562	485	1 096	-611	7 797	7 748	+49
	2	9 125	9 315	8 790	8 949	-159	554	966	-412	8 236	7 983	+253
	3	8 502	8 978	8 854	9 411	-557	613	1 115	-502	8 241	8 296	-55
	4	9 238	9 382	9 137	9 401	-264	583	1 042	-459	8 554	8 359	+195
1979	1	8 444	10 095	8 313	9 746	-1 433	757	964	-207	7 556	8 782	-1 226
	2	10 813	11 370	10 759	11 238	-479	946	1 167	-221	9 813	10 071	-258
	3	10 091	10 680	10 497	11 220	-723	1 162	1 326	-164	9 335	9 894	-559
	4	11 339	11 991	11 118	11 932	-814	1 293	1 432	-139	9 825	10 500	-675
1980	1	12 013	12 636	11 998	12 402	-404	1 425	1 519	-94	10 573	10 883	-310
	2	11 915	12 183	11 916	12 163	-247	1 511	1 545	-34	10 405	10 618	-213
	3	11 430	10 534	11 694	10 805	+889	1 558	1 378	+180	10 136	9 427	+709
	4	12 064	10 556	11 814	10 539	+1 275	1 639	1 376	+263	10 175	9 163	+1 012
1981	1	11 755	10 214	11 868	10 054	+1 814	2 068	1 284	+784	9 800	8 770	+1 030
	2	12 295	11 109	12 289	10 956	+1 333	2 235	1 323	+912	10 054	9 633	+421
	3	12 786	12 682	13 157	13 067	+90	2 426	1 696	+730	10 731	11 371	-640
	4	14 141	13 320	13 663	13 248	+415	2 378	1 693	+685	11 285	11 555	-270
1982	1	13 342	13 266	13 519	13 048	+471	2 375	1 654	+721	11 144	11 394	-250
	2	13 802	13 772	13 878	13 667	+211	2 435	1 536	+899	11 443	12 131	-688
	3	13 473	12 828	13 688	13 100	+588	2 846	1 563	+1 283	10 842	11 537	-695
	4	14 948	13 315	14 480	13 366	+1 114	3 030	1 377	+1 653	11 450	11 989	-539
1983	1	14 686	14 862	14 819	14 616	+203	3 106	1 305	+1 801	11 713	13 311	-1 598
	2	14 731	15 421	14 752	15 212	-460	2 960	1 404	+1 556	11 792	13 808	-2 016
	3	14 664	14 846	14 862	15 110	-248	2 960	1 439	+1 521	11 902	13 671	-1 769
	4	16 577	16 029	16 225	16 220	+5	3 500	1 376	+2 124	12 725	14 844	-2 119

VOLUME AND UNIT VALUE INDICES

TABLE 3

1980=100

	Visible trade										Services			
	Seasonally adjusted				Not seasonally adjusted						Seasonally adjusted			
	Volume indices				Unit value indices						Volume indices		Implied price indices	
	Exports		Imports		Exports		Imports		Terms of trade					
	Total goods	non-oil goods	Total goods	non-oil goods	Total goods	non-oil goods	Total goods	non-oil goods	Total goods	non-oil goods	Exports of services	Imports of services	Exports of services	Imports of services
1972	66.5	70.5	80.6	68.2	28.9	31.0	27.2	31.9	106.3	97.2	80.2	82.9	33.9	37.1
1973	75.6	80.3	91.9	78.0	32.6	34.6	34.8	40.6	93.7	85.2	86.2	89.0	38.9	44.0
1974	81.0	86.8	92.7	80.0	41.5	43.3	50.9	53.4	81.5	81.1	92.8	91.1	45.9	53.9
1975	77.8	83.5	84.7	75.5	50.9	53.2	58.0	60.7	87.6	87.7	93.6	90.3	53.3	61.0
1976	85.4	91.2	89.7	80.7	60.8	63.5	70.9	72.7	85.7	87.4	99.8	88.7	65.1	76.0
1977	92.1	97.0	91.3	85.2	72.0	75.2	82.1	84.5	87.7	89.0	102.9	87.5	73.3	85.0
1978	94.5	98.2	95.5	90.4	79.1	83.1	85.2	89.5	92.7	92.8	102.8	88.1	78.4	87.8
1979	99.1	98.7	105.7	103.0	87.6	90.7	90.9	94.2	96.4	96.3	103.1	96.3	88.9	93.8
1980	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1981	99.2	96.3	96.1	98.4	108.8	106.5	108.1	105.0	100.7	101.4	94.3	98.4	113.4	111.4
1982	101.5	96.9	100.7	105.0	116.7	114.4	117.9	113.9	99.0	100.4	92.1	98.5	121.2	121.0
1983	102.3	95.5	107.6	114.1	126.6	124.5	128.6	125.6	98.4	99.2	92.9	95.8	129.7	132.7
1975 1	78.8	84.5	86.6	77.1	48.4	50.6	56.0	58.7	86.4	86.3	96.9	92.2	49.2	56.9
2	75.8	81.6	81.6	73.0	49.6	51.9	56.4	59.3	87.9	87.6	92.5	88.8	52.4	59.9
3	76.1	81.6	86.7	77.0	51.7	54.1	58.5	61.3	88.4	88.3	91.3	89.3	54.8	62.7
4	80.4	86.3	83.9	74.9	53.7	56.2	61.3	63.4	87.7	88.7	93.5	90.7	56.6	64.6
1976 1	82.5	88.5	83.5	74.3	55.9	58.5	64.1	65.6	87.3	89.1	96.2	86.8	60.3	68.4
2	86.3	92.4	91.6	82.4	58.9	61.5	69.0	70.7	85.3	87.0	96.9	88.4	64.5	74.9
3	85.0	90.7	92.0	82.7	62.4	65.2	72.7	74.4	85.8	87.6	102.1	89.2	66.5	78.1
4	87.9	93.4	91.7	83.2	66.1	69.0	78.0	80.1	84.8	86.1	104.1	90.4	69.2	82.7
1977 1	89.8	94.6	91.3	84.5	68.8	71.8	79.9	81.9	86.2	87.7	100.7	86.2	71.4	84.1
2	92.5	97.3	94.9	88.2	71.5	74.6	82.0	84.2	87.1	88.6	101.4	85.2	73.6	85.7
3	95.5	100.1	90.6	84.9	73.3	76.5	83.3	85.7	88.0	89.3	105.1	89.2	74.1	85.9
4	90.5	95.8	88.3	83.1	74.4	77.7	83.2	86.1	89.3	90.3	104.5	89.5	73.9	84.1
1978 1	91.7	96.4	96.6	90.5	77.3	81.1	82.9	87.0	93.2	93.3	103.8	88.5	75.0	84.6
2	96.0	100.4	92.9	89.5	77.9	81.7	84.8	88.9	91.9	91.8	99.3	88.3	78.8	88.3
3	94.8	97.1	97.6	92.0	79.8	84.0	85.8	90.1	93.1	93.1	104.7	88.5	79.2	88.1
4	95.5	98.7	95.1	89.9	81.2	85.7	87.5	92.2	92.8	93.0	103.2	87.1	80.7	90.0
1979 1	85.0	84.5	97.1	93.8	83.9	88.0	88.9	93.5	94.3	94.1	102.2	93.1	84.7	89.6
2	106.8	107.6	108.9	106.5	86.0	89.7	89.5	93.2	96.1	96.2	103.4	96.4	86.2	92.4
3	101.7	100.3	108.0	105.1	88.7	91.5	90.2	93.0	98.3	98.4	104.0	97.0	89.8	94.1
4	102.8	102.4	108.9	106.7	91.9	93.7	95.1	97.2	96.6	96.3	102.9	98.5	95.0	99.0
1980 1	105.4	105.7	110.2	109.8	96.2	97.1	98.2	99.0	97.9	98.0	103.2	100.8	97.6	99.0
2	100.1	100.5	105.1	105.2	100.2	100.0	100.3	100.1	99.9	99.9	100.5	100.5	99.9	100.1
3	96.5	96.5	93.7	93.8	101.9	101.5	100.3	100.2	101.7	101.3	99.0	99.9	100.0	100.5
4	98.0	97.3	90.9	91.1	101.6	101.4	101.2	100.7	100.4	100.7	97.3	98.8	102.6	100.4
1981 1	96.5	92.7	87.2	88.6	104.0	102.9	101.6	99.8	102.4	103.1	94.5	97.1	108.2	103.9
2	97.8	94.7	91.9	94.5	107.1	104.7	105.2	102.3	101.8	102.4	93.5	98.2	112.9	109.2
3	100.7	97.7	104.3	106.6	110.7	107.9	110.3	106.7	100.4	101.1	94.4	98.6	115.8	116.1
4	102.0	100.0	101.1	104.0	113.6	110.4	115.3	111.4	98.5	99.1	94.6	99.5	116.7	116.2
1982 1	100.7	98.2	100.4	103.8	114.7	112.2	115.2	111.1	99.6	101.0	95.2	98.4	117.3	116.9
2	103.2	99.3	104.0	108.1	114.8	113.2	116.7	113.5	98.3	99.8	94.2	99.1	120.5	120.1
3	98.9	92.9	98.8	102.6	117.7	115.4	118.3	114.3	99.4	101.0	89.1	99.0	121.8	122.0
4	103.1	97.2	99.5	105.4	119.6	116.7	121.4	116.7	98.5	100.0	89.8	97.5	125.0	125.0
1983 1	102.3	95.9	104.5	111.2	123.6	121.0	126.3	122.4	97.9	98.8	92.5	93.2	128.9	133.7
2	100.3	93.9	106.6	112.4	125.6	123.8	128.1	125.5	98.1	98.6	95.4	94.2	128.0	130.6
3	99.3	93.1	106.6	112.6	127.9	126.2	128.9	126.2	99.2	100.0	91.4	97.7	129.7	132.2
4	107.4	99.1	112.7	120.2	129.2	127.2	131.0	128.2	98.6	99.2	92.4	97.9	132.3	134.4

INVISIBLES: SUMMARY

TABLE 4

£ million

		Seasonally adjusted											Not seasonally adjusted		
		Invisible credits				Invisible debits				Invisible balance			Total invisibles		
											of which				
		Services	IPD	Transfers	Total	Services	IPD	Transfers	Total	Total	Private sector and PC services and IPD	Gen govt transactions and private transfers	Credits	Debits	Balance
1972		4 288	1 748	264	6 300	3 587	1 210	532	5 329	+971	+1 732	-761	6 300	5 329	+971
1973		5 296	2 823	387	8 506	4 510	1 566	823	6 899	+1 607	+2 651	-1 044	8 506	6 899	+1 607
1974		6 728	3 286	489	10 503	5 653	1 871	906	8 430	+2 073	+3 361	-1 288	10 503	8 430	+2 073
1975		7 857	2 841	759	11 457	6 342	2 068	1 227	9 637	+1 820	+3 372	-1 552	11 457	9 637	+1 820
1976		10 278	3 971	790	15 039	7 775	2 606	1 565	11 946	+3 093	+5 168	-2 075	15 039	11 946	+3 093
1977		11 903	4 032	912	16 847	8 565	3 910	2 028	14 509	+2 338	+4 874	-2 536	16 847	14 509	+2 338
1978		12 722	5 195	1 213	19 130	8 906	4 534	2 990	16 430	+2 700	+5 739	-3 039	19 130	16 430	+2 700
1979		14 476	8 005	1 351	23 832	10 405	6 915	3 616	20 936	+2 896	+6 443	-3 547	23 832	20 936	+2 896
1980		15 787	8 397	1 778	25 962	11 520	8 448	3 857	23 825	+2 137	+5 455	-3 318	25 962	23 825	+2 137
1981		16 871	10 274	2 585	29 730	12 622	8 936	4 552	26 110	+3 620	+6 781	-3 161	29 730	26 110	+3 620
1982		17 602	10 989	3 151	31 742	13 728	9 587	5 260	28 575	+3 167	+6 877	-3 710	31 742	28 575	+3 167
1983		19 030	11 366	3 241	33 637	14 641	10 886	5 561	31 088	+2 549	+6 820	-4 271	33 637	31 088	+2 549
1975	1	1 881	733	197	2 811	1 512	532	270	2 314	+497	+820	-323	2 614	2 206	+408
	2	1 913	675	173	2 761	1 533	533	319	2 385	+376	+772	-396	2 753	2 391	+362
	3	1 976	674	195	2 845	1 611	494	307	2 412	+433	+847	-414	3 086	2 558	+528
	4	2 087	759	194	3 040	1 686	509	331	2 526	+514	+933	-419	3 004	2 482	+522
1976	1	2 290	929	175	3 394	1 709	635	369	2 713	+681	+1 162	-481	3 142	2 595	+547
	2	2 468	945	209	3 622	1 907	595	376	2 878	+744	+1 235	-491	3 592	2 894	+698
	3	2 680	1 033	196	3 909	2 006	664	384	3 054	+855	+1 362	-507	4 252	3 220	+1 032
	4	2 840	1 064	210	4 114	2 153	712	436	3 301	+813	+1 409	-596	4 053	3 237	+816
1977	1	2 839	1 019	229	4 087	2 088	896	474	3 458	+629	+1 259	-630	3 749	3 289	+460
	2	2 945	1 001	212	4 158	2 103	1 012	491	3 606	+552	+1 208	-656	4 104	3 651	+453
	3	3 072	999	220	4 291	2 206	1 010	541	3 757	+534	+1 200	-666	4 753	3 915	+838
	4	3 047	1 013	251	4 311	2 188	998	522	3 688	+623	+1 207	-584	4 241	3 654	+587
1978	1	3 070	1 128	265	4 463	2 156	1 056	796	4 008	+455	+1 315	-860	4 137	3 823	+314
	2	3 090	1 296	283	4 669	2 245	1 059	671	3 975	+694	+1 401	-707	4 565	4 040	+525
	3	3 274	1 355	318	4 947	2 247	1 170	780	4 197	+750	+1 539	-789	5 455	4 375	+1 080
	4	3 288	1 416	347	5 051	2 258	1 249	743	4 250	+801	+1 484	-683	4 973	4 192	+781
1979	1	3 417	1 812	316	5 545	2 404	1 402	822	4 628	+917	+1 723	-806	5 191	4 423	+768
	2	3 518	1 821	335	5 674	2 564	1 714	838	5 116	+558	+1 406	-848	5 589	5 170	+419
	3	3 686	2 218	344	6 248	2 630	1 817	954	5 401	+847	+1 759	-912	6 780	5 623	+1 157
	4	3 855	2 154	356	6 365	2 807	1 982	1 002	5 791	+574	+1 555	-981	6 272	5 720	+552
1980	1	3 977	2 164	452	6 593	2 876	2 220	914	6 010	+583	+1 301	-718	6 134	5 719	+415
	2	3 964	2 198	415	6 577	2 897	2 324	1 009	6 230	+347	+1 300	-953	6 454	6 305	+149
	3	3 906	1 909	436	6 251	2 891	1 893	1 015	5 799	+452	+1 331	-879	6 819	6 158	+661
	4	3 940	2 126	475	6 541	2 856	2 011	919	5 786	+755	+1 523	-768	6 555	5 643	+912
1981	1	4 035	2 272	631	6 938	2 906	2 013	1 135	6 054	+884	+1 608	-724	6 903	5 736	+1 167
	2	4 166	2 359	553	7 078	3 086	1 949	1 080	6 115	+963	+1 824	-861	6 802	6 195	+607
	3	4 311	2 650	624	7 585	3 297	2 328	1 261	6 886	+699	+1 626	-927	8 025	7 287	+738
	4	4 359	2 993	777	8 129	3 333	2 646	1 076	7 055	+1 074	+1 723	-649	8 000	6 892	+1 108
1982	1	4 409	2 386	794	7 589	3 313	2 357	1 283	6 953	+636	+1 440	-804	7 690	6 550	+1 140
	2	4 480	2 776	687	7 943	3 428	2 391	1 308	7 127	+816	+1 853	-1 037	7 622	7 292	+330
	3	4 284	2 805	796	7 885	3 477	2 407	1 352	7 236	+649	+1 629	-980	8 282	7 713	+569
	4	4 429	3 022	874	8 325	3 510	2 432	1 317	7 259	+1 066	+1 955	-889	8 148	7 020	+1 128
1983	1	4 709	2 716	806	8 231	3 588	2 425	1 327	7 340	+891	+1 842	-951	8 110	6 913	+1 197
	2	4 818	2 625	781	8 224	3 545	2 797	1 459	7 801	+423	+1 582	-1 159	7 929	7 926	+3
	3	4 679	2 993	914	8 586	3 720	2 694	1 271	7 685	+901	+1 774	-873	9 028	8 183	+845
	4	4 824	3 032	740	8 596	3 788	2 970	1 504	8 262	+334	+1 622	-1 288	8 570	8 066	+504

SERVICES: CREDITS

TABLE 5

£ million

	Private sector and public corporations								General government			Total services credits
	Sea transport											
	Dry cargo	Tankers	Total	Civil aviation	Travel	Financial services	Other services	Total	EC institutions	Other	Total	
1974	1 408	1 257	2 665	625	898	785	1 645	6 618	21	89	110	6 728
1975	1 520	1 131	2 651	780	1 218	1 025	2 044	7 718	34	105	139	7 857
1976	1 870	1 363	3 233	1 049	1 768	1 303	2 710	10 063	46	169	215	10 278
1977	2 094	1 339	3 433	1 203	2 352	1 391	3 283	11 662	78	163	241	11 903
1978	1 934	1 215	3 149	1 455	2 507	1 539	3 754	12 404	94	224	318	12 722
1979	2 038	1 766	3 804	1 755	2 797	1 588	4 202	14 146	115	215	330	14 476
1980	2 200	1 616	3 816	2 210	2 961	1 601	4 818	15 406	112	269	381	15 787
1981	2 155	1 629	3 784	2 359	2 970	1 971	5 348	16 432	122	317	439	16 871
1982	2 156	1 407	3 563	2 471	3 168	2 145	5 818	17 165	150	287	437	17 602
1983	1 956	1 219	3 175	2 665	3 685	2 637	6 380	18 542	148	340	488	19 030
Unadjusted												
1979 1	457	392	849	303	412	397	1 025	2 986	30	68	98	3 084
2	519	427	946	385	637	377	988	3 333	24	36	60	3 393
3	532	445	977	564	1 088	417	1 118	4 164	30	51	81	4 245
4	530	502	1 032	503	660	397	1 071	3 663	31	60	91	3 754
1980 1	523	464	987	395	516	388	1 180	3 466	31	76	107	3 573
2	574	393	967	510	715	403	1 130	3 725	31	50	81	3 806
3	584	369	953	710	1 122	382	1 277	4 444	31	81	112	4 556
4	519	390	909	595	608	428	1 231	3 771	19	62	81	3 852
1981 1	471	431	902	476	466	452	1 231	3 527	37	91	128	3 655
2	540	414	954	556	677	475	1 265	3 927	25	45	70	3 997
3	589	412	1 001	725	1 150	503	1 484	4 863	21	93	114	4 977
4	555	372	927	602	677	541	1 368	4 115	39	88	127	4 242
1982 1	527	335	862	483	515	556	1 444	3 860	41	103	144	4 004
2	575	372	947	563	793	529	1 395	4 227	36	58	94	4 321
3	565	334	899	770	1 188	493	1 525	4 875	38	39	77	4 952
4	489	366	855	655	672	567	1 454	4 203	35	87	122	4 325
1983 1	471	276	747	525	580	714	1 554	4 120	37	122	159	4 279
2	491	283	774	629	900	685	1 551	4 539	32	74	106	4 645
3	516	317	833	823	1 380	605	1 649	5 290	51	69	120	5 410
4	478	343	821	688	825	633	1 626	4 593	28	75	103	4 696
Seasonally adjusted												
1979 1	483	387	870	379	651	406	1 029	3 335	30	52	82	3 417
2	506	436	942	403	695	370	1 032	3 442	24	52	76	3 518
3	508	454	962	461	707	424	1 051	3 605	30	51	81	3 686
4	541	489	1 030	512	744	388	1 090	3 764	31	60	91	3 855
1980 1	555	454	1 009	497	800	391	1 189	3 886	31	60	91	3 977
2	560	401	961	544	764	398	1 196	3 863	31	70	101	3 964
3	553	380	933	576	718	391	1 179	3 797	31	78	109	3 906
4	532	381	913	593	679	421	1 254	3 860	19	61	80	3 940
1981 1	500	419	919	593	715	453	1 245	3 925	37	73	110	4 035
2	529	422	951	593	725	467	1 339	4 075	25	66	91	4 166
3	555	424	979	582	752	516	1 372	4 201	21	89	110	4 311
4	571	364	935	591	778	535	1 392	4 231	39	89	128	4 359
1982 1	561	326	887	601	786	557	1 453	4 284	41	84	125	4 409
2	563	378	941	605	839	520	1 458	4 363	36	81	117	4 480
3	529	343	872	621	774	508	1 434	4 209	38	37	75	4 284
4	503	360	863	644	769	560	1 473	4 309	35	85	120	4 429
1983 1	501	269	770	654	881	714	1 555	4 574	37	98	135	4 709
2	483	287	770	672	953	675	1 612	4 682	32	104	136	4 818
3	479	326	805	685	902	622	1 571	4 565	51	63	114	4 679
4	493	337	830	674	949	626	1 642	4 721	28	75	103	4 824

SERVICES: DEBITS AND BALANCE

TABLE 5 (continued)

£ million

		Debits									Balance of services		
		Private sector and public corporations											
		Sea transport				Other services							
		Dry cargo	Tankers	Total	Civil aviation	Travel	Associated with UK Cont Shelf	Other	Total	General government	Total services debits	Private sector and public corporations	General government	Total
1974		1 339	1 437	2 776	540	703	212	793	5 024	629	5 653	+1 594	-519	+1 075
1975		1 296	1 266	2 562	675	917	490	989	5 633	709	6 342	+2 085	-570	+1 515
1976		1 638	1 517	3 155	840	1 068	665	1 180	6 908	867	7 775	+3 155	-652	+2 503
1977		1 865	1 480	3 345	984	1 186	725	1 385	7 625	940	8 565	+4 037	-699	+3 338
1978		1 927	1 235	3 162	1 176	1 549	568	1 465	7 920	986	8 906	+4 484	-668	+3 816
1979		2 195	1 482	3 677	1 467	2 109	467	1 613	9 333	1 072	10 405	+4 813	-742	+4 071
1980		2 428	1 247	3 675	1 815	2 738	514	1 764	10 506	1 014	11 520	+4 900	-633	+4 267
1981		2 593	1 351	3 944	1 922	3 271	615	1 905	11 657	965	12 622	+4 775	-526	+4 249
1982		2 772	1 133	3 905	2 080	3 640	753	2 112	12 490	1 238	13 728	+4 675	-801	+3 874
1983		3 030	945	3 975	2 237	4 050	687	2 370	13 319	1 322	14 641	+5 223	-834	+4 389
Unadjusted														
1975	1	464	360	824	296	305	95	378	1 898	249	2 147	+1 088	-151	+937
	2	585	359	944	359	503	102	385	2 293	275	2 568	+1 040	-215	+825
	3	585	359	944	446	858	122	413	2 783	268	3 051	+1 381	-187	+1 194
	4	561	404	965	366	443	148	437	2 359	280	2 639	+1 304	-189	+1 115
1980	1	619	348	967	398	399	113	437	2 314	235	2 549	+1 152	-128	+1 024
	2	627	308	935	453	672	120	439	2 619	275	2 894	+1 106	-194	+912
	3	637	301	938	545	1 127	127	441	3 178	255	3 433	+1 266	-143	+1 123
	4	545	290	835	419	540	154	447	2 395	249	2 644	+1 376	-168	+1 208
1981	1	577	352	929	399	454	103	467	2 352	183	2 535	+1 175	-55	+1 120
	2	595	360	955	475	788	149	463	2 830	235	3 065	+1 097	-165	+932
	3	743	335	1 078	594	1 386	155	486	3 699	251	3 950	+1 164	-137	+1 027
	4	678	304	982	454	643	208	489	2 776	296	3 072	+1 339	-169	+1 170
1982	1	678	280	958	433	532	174	499	2 596	301	2 897	+1 264	-157	+1 107
	2	740	304	1 044	516	881	166	507	3 114	314	3 428	+1 113	-220	+893
	3	712	263	975	644	1 508	214	561	3 902	299	4 201	+973	-222	+751
	4	642	286	928	487	719	199	545	2 878	324	3 202	+1 325	-202	+1 123
1983	1	712	260	972	471	596	166	582	2 787	337	3 124	+1 333	-178	+1 155
	2	758	210	968	562	957	168	575	3 230	316	3 546	+1 309	-210	+1 099
	3	775	226	1 001	683	1 722	183	600	4 189	343	4 532	+1 101	-223	+878
	4	785	249	1 034	521	775	170	613	3 113	326	3 439	+1 480	-223	+1 257
Seasonally adjusted														
1979	1	481	363	844	339	477	121	374	2 155	249	2 404	+1 180	-167	+1 013
	2	569	360	929	359	509	106	386	2 289	275	2 564	+1 153	-199	+954
	3	563	362	925	375	536	112	414	2 362	268	2 630	+1 243	-187	+1 056
	4	582	397	979	394	587	128	439	2 527	280	2 807	+1 237	-189	+1 048
1980	1	643	351	994	451	623	140	433	2 641	235	2 876	+1 245	-144	+1 101
	2	611	308	919	452	687	125	439	2 622	275	2 897	+1 241	-174	+1 067
	3	606	302	908	458	710	117	443	2 636	255	2 891	+1 161	-146	+1 015
	4	568	286	854	454	718	132	449	2 607	249	2 856	+1 253	-169	+1 084
1981	1	599	354	953	456	727	124	463	2 723	183	2 906	+1 202	-73	+1 129
	2	581	359	940	475	814	159	463	2 851	235	3 086	+1 224	-144	+1 080
	3	702	338	1 040	496	872	150	488	3 046	251	3 297	+1 155	-141	+1 014
	4	711	300	1 011	495	858	182	491	3 037	296	3 333	+1 194	-168	+1 026
1982	1	701	280	981	496	866	174	495	3 012	301	3 313	+1 272	-176	+1 096
	2	723	304	1 027	515	899	166	507	3 114	314	3 428	+1 249	-197	+1 052
	3	670	266	936	537	929	214	562	3 178	299	3 477	+1 031	-224	+807
	4	678	283	961	532	946	199	548	3 186	324	3 510	+1 123	-204	+919
1983	1	735	260	995	539	973	166	578	3 251	337	3 588	+1 323	-202	+1 121
	2	735	210	945	561	980	168	575	3 229	316	3 545	+1 453	-180	+1 273
	3	729	229	958	567	1 068	183	601	3 377	343	3 720	+1 188	-229	+959
	4	831	246	1 077	570	1 029	170	616	3 462	326	3 788	+1 259	-223	+1 036

INTEREST,PROFITS AND DIVIDENDS: CREDITS

TABLE 6

£ million

	Earnings on:							of which:	
	Direct investment (excluding oil companies)	Portfolio investment	Sterling lending by UK banks and export credit	Interest on UK borrowing and lending in foreign currencies (balance)	Interest on bank deposits and lending overseas	Other earnings (including oil companies)	Total credits	Private sector and public corporations	General government
1974	1 490	279	322	151	-	1 044	3 286	3 049	237
1975	1 591	271	365	138	-	476	2 841	2 575	266
1976	2 383	313	472	210	87	506	3 971	3 718	253
1977	2 293	328	460	107	102	742	4 032	3 648	384
1978	2 346	400	566	346	164	1 373	5 195	4 504	691
1979	2 843	540	741	-44	287	3 638	8 005	7 189	816
1980	2 939	740	970	352	446	2 950	8 397	7 454	943
1981	3 576	940	1 343	1 010	627	2 778	10 274	9 326	948
1982	3 031	1 580	1 648	1 454	635	2 642	10 989	10 173	816
1983	3 220	2 409	1 869	514	566	2 788	11 366	10 745	621
Unadjusted									
1979 1	658	113	181	36	61	752	1 801	1 624	177
2	675	124	178	6	62	825	1 870	1 665	205
3	781	146	177	3	71	1 020	2 198	1 991	207
4	729	157	205	-89	93	1 041	2 136	1 909	227
1980 1	810	167	216	-44	115	869	2 133	1 906	227
2	794	182	224	155	109	815	2 279	1 990	289
3	645	199	243	97	95	581	1 860	1 650	210
4	690	192	287	144	127	685	2 125	1 908	217
1981 1	842	193	289	108	133	682	2 247	2 040	207
2	931	204	287	282	150	600	2 454	2 151	303
3	879	253	345	273	179	654	2 583	2 342	241
4	924	290	422	347	165	842	2 990	2 793	197
1982 1	740	324	433	117	165	562	2 341	2 164	177
2	772	372	416	484	170	683	2 896	2 616	280
3	639	431	392	451	148	676	2 737	2 562	175
4	880	453	407	402	152	721	3 015	2 831	184
1983 1	713	508	497	126	144	674	2 662	2 515	147
2	810	569	459	186	130	583	2 737	2 531	206
3	852	641	451	32	148	786	2 910	2 791	119
4	845	691	462	170	144	745	3 057	2 908	149
Seasonally adjusted									
1979 1	659	116	184	36	61	756	1 812	1 632	180
2	646	125	175	6	62	807	1 821	1 634	187
3	786	140	190	3	71	1 028	2 218	2 002	216
4	752	159	192	-89	93	1 047	2 154	1 921	233
1980 1	810	170	219	-44	115	894	2 164	1 912	252
2	759	183	221	155	109	771	2 198	1 953	245
3	677	191	256	97	95	593	1 909	1 687	222
4	693	196	274	144	127	692	2 126	1 902	224
1981 1	838	198	286	108	133	709	2 272	2 039	233
2	884	205	289	282	150	549	2 359	2 108	251
3	934	242	358	273	179	664	2 650	2 398	252
4	920	295	410	347	165	856	2 993	2 781	212
1982 1	738	330	431	117	165	605	2 386	2 166	220
2	733	376	418	484	170	596	2 776	2 584	192
3	687	417	404	451	148	698	2 805	2 608	197
4	873	457	395	402	152	743	3 022	2 815	207
1983 1	713	522	495	126	144	716	2 716	2 525	191
2	766	574	462	186	130	507	2 625	2 494	131
3	914	620	463	32	148	816	2 993	2 845	148
4	827	693	449	170	144	749	3 032	2 881	151

INTEREST,PROFITS AND DIVIDENDS: DEBITS AND BALANCE

TABLE 6 (continued)

£ million

	Earnings on:							of which:		Balance of IPD		
	Direct investment (excluding oil companies)	Foreign oil companies' investment in UK	Portfolio investment	Foreign currency borrowing by general government[1]	Sterling liabilities	Other	Total debits	Private sector and public corporations	General government	Private sector and public corporations	General government	Total
1974	622	27	252	139	623	208	1,871	1,282	589	+1,767	-352	+1,415
1975	625	-23	307	259	651	249	2,068	1,288	780	+1,287	-514	+773
1976	1,040	-76	385	368	567	322	2,606	1,705	901	+2,013	-648	+1,365
1977	1,432	585	573	422	467	457	3,916	2,811	1,105	+837	-721	+116
1978	1,526	703	671	522	496	616	4,534	3,249	1,285	+1,255	-594	+661
1979	2,077	1,940	747	576	911	664	6,915	5,559	1,356	+1,630	-540	+1,090
1980	1,873	2,965	894	518	1,527	671	8,448	6,899	1,549	+555	-606	-51
1981	1,964	2,776	969	489	1,899	839	8,936	7,320	1,616	+2,006	-668	+1,338
1982	2,293	2,621	1,041	402	2,253	977	9,587	7,971	1,616	+2,202	-800	+1,402
1983	3,005	3,051	1,089	428	2,385	928	10,886	9,148	1,738	+1,597	-1,117	+480
Unadjusted												
1979 1	405	361	140	130	154	136	1,326	1,044	282	+580	-105	+475
2	556	493	197	169	196	202	1,813	1,426	387	+239	-182	+57
3	382	626	193	107	230	131	1,669	1,369	300	+622	-93	+529
4	734	460	217	170	331	195	2,107	1,720	387	+189	-160	+29
1980 1	515	814	199	108	326	152	2,114	1,787	327	+119	-100	+19
2	575	822	280	177	367	237	2,458	1,952	506	+38	-217	-179
3	321	644	223	93	379	108	1,768	1,423	345	+227	-135	+92
4	462	685	192	140	455	174	2,108	1,737	371	+171	-154	+17
1981 1	386	653	222	81	426	143	1,911	1,572	339	+468	-132	+336
2	423	489	272	191	449	287	2,111	1,575	536	+576	-233	+343
3	546	599	253	98	459	181	2,136	1,772	364	+570	-123	+447
4	609	1,035	222	119	565	228	2,778	2,401	377	+392	-180	+212
1982 1	634	611	258	52	490	185	2,230	1,911	319	+253	-142	+111
2	608	587	284	139	592	390	2,600	2,070	530	+546	-250	+296
3	507	609	271	63	587	184	2,221	1,858	363	+704	-188	+516
4	544	814	228	148	584	218	2,536	2,132	404	+699	-220	+479
1983 1	652	549	277	79	578	171	2,306	1,915	391	+600	-244	+356
2	789	841	277	132	604	331	2,974	2,462	512	+69	-306	-237
3	710	611	293	90	571	169	2,444	2,052	392	+739	-273	+466
4	854	1,050	242	127	632	257	3,162	2,719	443	+189	-294	-105
Seasonally adjusted												
1979 1	420	361	151	144	160	166	1,402	1,089	313	+543	-133	+410
2	544	493	164	150	203	160	1,714	1,381	333	+253	-146	+107
3	484	626	194	129	244	160	1,817	1,486	331	+516	-115	+401
4	649	460	238	153	304	178	1,982	1,603	379	+318	-146	+172
1980 1	536	814	218	124	340	188	2,220	1,856	364	+56	-112	-56
2	562	822	239	157	375	169	2,324	1,894	430	+59	-185	-126
3	389	644	222	117	397	144	1,893	1,517	376	+170	-154	+16
4	406	685	215	120	415	170	2,011	1,632	379	+270	-155	+115
1981 1	393	653	231	98	453	185	2,013	1,633	380	+406	-147	+259
2	406	489	238	163	448	205	1,949	1,508	441	+600	-190	+410
3	648	599	248	122	485	226	2,328	1,927	401	+471	-149	+322
4	517	1,035	252	106	513	223	2,646	2,252	394	+529	-182	+347
1982 1	651	611	269	64	515	247	2,357	1,998	359	+168	-139	+29
2	582	587	248	120	600	254	2,391	1,980	411	+604	-219	+385
3	591	609	258	86	616	247	2,407	2,010	397	+598	-200	+398
4	489	814	266	132	522	229	2,432	1,983	449	+832	-242	+590
1983 1	672	549	274	92	604	234	2,425	2,006	419	+519	-228	+291
2	752	841	254	110	610	230	2,797	2,365	432	+129	-301	-172
3	852	611	284	118	596	233	2,694	2,259	435	+586	-287	+299
4	729	1,050	277	108	575	231	2,970	2,518	452	+363	-301	+62

1. Excluding foreign currency issues but including loans raised by all public bodies under the exchange cover scheme.

TRANSFERS

TABLE 7

£ million

	Private sector			General government									
				Credits		Debits					Balance		
				EC institutions			Contributions and subscriptions to international orgs						
	Credits	Debits	Balance of private sector	Budget refunds	Other	Bilateral aid	EC	Other	Pensions, benefits and other transfers	Total debits	Total	of which: with EC institutions	Balance of transfers
1974	357	454	-97	-	132	105	186	90	71	452	-320	-54	-417
1975	393	503	-110	-	366	148	350	143	83	724	-358	+16	-468
1976	537	509	+28	-	253	279	474	192	111	1 056	-803	-221	-775
1977	614	614	-	-	298	279	750	254	131	1 414	-1 116	-452	-1 116
1978	774	848	-74	-	439	387	1 364	233	158	2 142	-1 703	-925	-1 777
1979	801	1 008	-207	-	550	498	1 626	325	159	2 608	-2 058	-1 076	-2 265
1980	820	1 076	-256	98	860	528	1 783	281	189	2 781	-1 823	-825	-2 079
1981	927	1 205	-278	693	965	587	2 188	285	287	3 347	-1 689	-530	-1 967
1982	994	1 262	-268	1 019	1 139	496	2 878	324	300	3 998	-1 841	-721	-2 109
1983	1 070	1 323	-253	807	1 364	573	2 998	344	323	4 238	-2 067	-827	-2 320
Unadjusted													
1979 1	202	224	-22	-	104	212	362	110	42	726	-622	-258	-644
2	200	208	-8	-	126	63	386	98	34	581	-455	-260	-463
3	194	279	-85	-	143	98	428	57	41	624	-481	-285	-566
4	205	297	-92	-	177	125	450	60	42	677	-500	-273	-592
1980 1	201	267	-66	-	227	227	415	93	54	789	-562	-188	-628
2	205	266	-61	-	164	75	483	83	46	687	-523	-319	-584
3	206	266	-60	-	197	110	466	71	44	691	-494	-269	-554
4	208	277	-69	98	272	116	419	34	45	614	-244	-49	-313
1981 1	227	295	-68	547	227	290	544	90	71	995	-221	+230	-289
2	230	298	-68	-	121	68	507	88	58	721	-600	-386	-668
3	233	303	-70	28	204	104	660	61	73	898	-666	-428	-736
4	237	309	-72	118	413	125	477	46	85	733	-202	+54	-274
1982 1	241	311	-70	813	291	233	700	94	85	1 112	-8	+404	-78
2	246	313	-67	9	150	59	723	102	67	951	-792	-564	-859
3	251	317	-66	72	271	83	750	68	73	974	-632	-408	-698
4	256	321	-65	125	427	121	705	60	75	961	-409	-153	-474
1983 1	261	323	-62	568	340	295	661	109	95	1 160	-252	+247	-314
2	266	329	-63	-	282	80	791	135	71	1 077	-796	-510	-859
3	270	333	-63	21	417	96	633	69	76	874	-436	-195	-499
4	273	338	-65	218	325	102	913	31	81	1 127	-583	-369	-648
Seasonally adjusted													
1979 1	202	224	-22	-	114	119	357	86	36	598	-484	-243	-506
2	200	208	-8	-	135	118	393	82	37	630	-495	-258	-503
3	194	279	-85	-	150	131	430	73	41	675	-525	-280	-610
4	205	297	-92	-	151	130	446	84	45	705	-554	-295	-646
1980 1	201	267	-66	24	227	121	408	71	47	647	-396	-157	-462
2	205	266	-61	24	186	139	486	68	50	743	-533	-276	-594
3	206	266	-60	25	205	146	472	86	45	749	-519	-242	-579
4	208	277	-69	25	242	122	417	56	47	642	-375	-150	-444
1981 1	227	295	-68	173	231	168	538	70	64	840	-436	-134	-504
2	230	298	-68	173	150	141	508	72	61	782	-459	-185	-527
3	233	303	-70	173	218	142	667	75	74	958	-567	-276	-637
4	237	309	-72	174	366	136	475	68	88	767	-227	+65	-299
1982 1	241	311	-70	255	298	129	693	73	77	972	-419	-140	-489
2	246	313	-67	255	186	121	721	82	71	995	-554	-280	-621
3	251	317	-66	255	290	116	762	83	74	1 035	-490	-217	-556
4	256	321	-65	254	364	130	702	86	78	996	-378	-84	-443
1983 1	261	323	-62	202	343	176	656	85	87	1 004	-459	-111	-521
2	266	329	-63	202	313	151	790	114	75	1 130	-615	-275	-678
3	270	333	-63	202	442	134	642	85	77	938	-294	+2	-357
4	273	338	-65	201	266	112	910	60	84	1 166	-699	-443	-764

INVESTMENT AND OTHER CAPITAL TRANSACTIONS[1]

TABLE 8

Not seasonally adjusted

£ million

		Overseas investment in		UK private investment overseas	Official long-term capital	Trade credit[2]	Foreign currency borrowing or lending abroad by UK banks[3]	Exchange reserves in sterling		Other external banking and money market liabilities in sterling[3]	External sterling lending by UK banks[3,4]	Other external borrowing or lending[5]	Other transactions	Total investment and other capital transactions
		UK public sector	UK private sector					British government stocks	Banking and money market liabilities, etc.[3]					
1972		+113	-659	-1 402	-254	-211	+471	+65	-222	-91	-241	+146	-150	-673
1973		+156	+1 341	-1 760	-255	-203	+535	+74	+87	-7	+35	+339	-164	+178
1974		+180	+2 024	-1 148	-287	-722	-295	-124	+1 534	+148	+53	+351	-112	+1 602
1975		-13	+1 527	-1 367	-291	-518	+253	+7	-622	+549	+96	+316	+217	+154
1976		+179	+1 912	-2 269	-161	-992	-106	+12	-1 413	+256	-350	+121	-164	-2 975
1977		+1 432	+2 967	-2 334	-303	-355	+364	+6	-16	+1 481	+58	+813	+53	+4 166
1978		-97	+1 974	-4 604	-336	-630	-433	-113	-	+293	-504	+106	+81	-4 263
1979		+902	+3 381	-6 802	-401	-792	+1 623	+247	+509	+2 580	+205	+449	-66	+1 835
1980		+589	+4 619	-8 033	-91	-1 156	+2 054	+945	+317	+2 558	-2 500	-514	-243	-1 455
1981		+188	+3 270	-10 670	-336	-847	+1 462	+267	-118	+2 607	-2 954	-322	+101	-7 352
1982		+320	+3 269	-10 872	-337	-1 389	+4 271	-52	+438	+4 134	-3 299	-11	+250	-3 258
1983		+693	+5 712	-10 895	-562	-1 524	+1 104	+284	+726	+3 203	-1 440	+1 231	-576	-2 044
1975	1	+36	+305	-378	-72	-208	-62	+6	+222	+19	+46	+77	+112	+103
	2	-3	+207	-528	-39	-177	+772	-7	-296	+286	-241	+54	+73	+101
	3	-57	+580	-108	-30	+137	-15	-67	-313	+1	+35	+82	+19	+264
	4	+11	+435	-353	-150	-270	-442	+75	-235	+243	+256	+103	+13	-314
1976	1	+1	+591	-598	-37	-355	+94	-10	-72	+6	-245	+147	-65	-543
	2	+15	+377	-560	-18	-284	-86	-13	-908	-11	-223	+74	-97	-1 734
	3	+61	+458	-547	-28	-35	-272	-19	-330	+212	-124	-29	-5	-658
	4	+102	+486	-564	-78	-318	+158	+54	-103	+49	+242	-71	+3	-40
1977	1	+353	+927	-586	-23	-136	+419	-163	+345	+199	+166	+141	-42	+1 620
	2	+443	+831	-772	-19	-60	-706	-4	-394	+350	-110	+381	+74	+14
	3	+252	+727	-499	-30	+91	+187	+31	+43	+323	-23	+216	-64	+1 254
	4	+384	+482	-497	-231	-250	+464	+142	-10	+609	+25	+75	+85	+1 278
1978	1	-55	+856	-884	-23	-169	+128	-33	+176	-62	-292	+160	+45	-153
	2	-40	+322	-804	-8	-280	-931	-20	-211	-152	-65	+39	-52	-2 203
	3	-21	+350	-1 185	-66	-126	+343	-34	+43	+159	-82	-15	+180	-454
	4	+19	+446	-1 731	-239	-55	+27	-26	-8	+348	-65	-78	-92	-1 453
1979	1	+245	+330	-1 596	-78	-320	+1 002	-130	+268	+470	+103	+75	+91	+460
	2	+78	+1 213	-1 462	-35	-244	+385	+5	+92	+358	+204	-28	+172	+738
	3	+429	+924	-2 145	-66	+156	+671	+206	+194	+450	-101	-252	-343	+123
	4	+150	+914	-1 599	-222	-384	-435	+166	-45	+1 302	-1	+654	+14	+514
1980	1	-18	+1 382	-2 105	+10	-325	+767	+45	+455	+256	-324	-448	-196	-501
	2	+656	+901	-1 959	-13	-159	+230	+448	-94	+983	-563	+27	-86	+371
	3	+55	+1 021	-1 712	-2	-403	+593	+437	-80	+824	-668	+151	-24	+192
	4	-104	+1 315	-2 257	-86	-269	+464	+15	+36	+495	-945	-244	+63	-1 517
1981	1	+82	+416	-3 017	-128	-13	-435	-95	+187	+301	-1 230	+160	-139	-3 911
	2	-156	+1 287	-2 454	-111	-161	-750	+152	+21	+902	-435	-699	+402	-2 002
	3	-11	+776	-2 187	-5	-64	+58	+95	+49	+1 015	-799	-198	+107	-1 164
	4	+273	+791	-3 012	-92	-609	+2 589	+115	-375	+389	-490	+415	-269	-275
1982	1	-58	+1 321	-2 834	-211	-111	+1 598	-167	+512	+1 119	-1 104	+140	-337	-132
	2	-104	+802	-2 344	-14	-365	+541	+82	-294	+1 487	+200	+7	+133	+131
	3	+223	+513	-2 561	-3	-437	+1 171	-228	+478	+1 035	-1 348	-11	+136	-1 032
	4	+259	+653	-3 133	-109	-476	+961	+261	-258	+493	-1 047	-147	+318	-2 225
1983	1	+46	+1 950	-3 098	-229	-404	+568	+103	+451	+1 063	-939	+686	-674	-477
	2	+379	+1 904	-2 630	-216	-433	+257	+271	-253	+613	+288	+221	+138	+539
	3	+280	+1 441	-2 602	-18	-360	+1 321	-66	+424	+404	-5	-13	+25	+831
	4	-12	+417	-2 585	-99	-327	-1 042	-24	+104	+1 123	-784	+337	-65	-2 937

1. UK Assets: increase-/decrease+. UK Liabilities: increase+/decrease-. Excluding official financing.
2. Excluding trade credit between 'related' firms, after deducting advance and progress payments to suppliers. Coverage was reduced at end-1982, see Table 12 footnote 3. Net credit extended by UK merchants on third country trade is included within export credit.
3. Prior to 1982 includes transactions by 'other financial institutions', which are subsequently included within 'other external borrowing or lending'.
4. Excluding credit for UK exports.
5. From 1982 onwards includes transactions by 'other financial institutions' (see footnote 3). The estimate included for the latest quarter excludes a substantial part of the private sector borrowing from and lending to banks etc., overseas.

OVERSEAS INVESTMENT IN UNITED KINGDOM[1]

TABLE 9

Not seasonally adjusted

£ million

		Direct investment (excluding oil companies)			Portfolio investment									
									Net issues abroad3					
		Unremitted profits	Other	Total	Investment by oil companies	Investment in UK company securities	British government stocks2	British government foreign currency bonds	Local authorities securities	Public corporations	Local authorities	Total portfolio investment	Miscellaneous investment	Total overseas investment in UK
1977		+837	+489	+1 326	+1 131	+421	+979	+395	+28	+30	-	+1 853	+89	+4 399
1978		+720	+541	+1 261	+666	+12	-3	-	+4	-93	-5	-85	+35	+1 877
1979		+1 226	+514	+1 740	+1 215	+351	+929	-	+41	-6	-62	+1 253	+75	+4 283
1980		+689	+1 852	+2 541	+1 714	+264	+571	-	+19	-1	-	+853	+100	+5 208
1981		+638	+360	+998	+1 882	+320	+201	-	-	-13	-	+508	+70	+3 458
1982		+904	+365	+1 269	+1 770	+130	+495	-115	-5	-55	-	+450	+120	+3 609
1983		+1 578	+1 566	+3 144	+1 538	+930	+707	-	-7	-7	-	+1 623	+100	+6 405
1981	1	+149	-372	-223	+579	+35	+89	-	+1	-8	-	+117	+25	+498
	2	+141	+624	+765	+407	+100	-157	-	+2	-1	-	-56	+15	+1 131
	3	+266	-249	+17	+634	+110	-6	-	-2	-3	-	+99	+15	+765
	4	+82	+357	+439	+262	+75	+275	-	-1	-1	-	+348	+15	+1 064
1982	1	+376	+482	+858	+418	-10	-48	-	-6	-4	-	-68	+55	+1 263
	2	+203	-80	+123	+674	-20	+11	-115	-	-	-	-124	+25	+898
	3	+217	-74	+143	+365	-20	+222	-	+1	-	-	+203	+25	+736
	4	+108	+37	+145	+313	+180	+310	-	-	-51	-	+439	+15	+912
1983	1	+409	+1 163	+1 572	+133	+210	+52	-	-	-6	-	+256	+35	+1 996
	2	+480	+319	+799	+630	+465	+382	-	-2	-1	-	+844	+10	+2 283
	3	+465	+210	+675	+611	+125	+282	-	-2	-	-	+405	+30	+1 721
	4	+224	-126	+98	+164	+130	-9	-	-3	-	-	+118	+25	+405

1. UK Liabilities:increase+/decrease-.
2. Excluding investments by central monetary institutions and international organisations.
3. Excluding official financing.

UK PRIVATE INVESTMENT OVERSEAS[1]

TABLE 10

Not seasonally adjusted

£ million

		Direct investment (excluding oil companies)					
		Unremitted profits	Other	Total	Oil companies' and other miscellaneous investment	Portfolio investment	Total
1977		-1 292	-593	-1 885	-461	+12	-2 334
1978		-1 259	-1 451	-2 710	-821	-1 073	-4 604
1979		-1 622	-1 413	-3 035	-2 858	-909	-6 802
1980		-1 634	-1 683	-3 317	-1 566	-3 150	-8 033
1981		-2 031	-3 121	-5 152	-1 418	-4 100	-10 670
1982		-1 604	-1 028	-2 632	-1 960	-6 280	-10 872
1983		-1 765	-645	-2 410	-2 235	-6 250	-10 895
1981	1	-559	-661	-1 220	-437	-1 360	-3 017
	2	-478	-584	-1 062	-412	-980	-2 454
	3	-572	-599	-1 171	-296	-720	-2 187
	4	-422	-1 277	-1 699	-273	-1 040	-3 012
1982	1	-470	-328	-798	-396	-1 640	-2 834
	2	-409	-248	-357	-307	-1 380	-2 344
	3	-285	-328	-613	-488	-1 460	-2 561
	4	-440	-124	-564	-769	-1 800	-3 133
1983	1	-415	-330	-745	-633	-1 720	-3 098
	2	-442	-12	-454	-356	-1 820	-2 630
	3	-588	-65	-653	-649	-1 300	-2 602
	4	-320	-238	-558	-597	-1 410	-2 565

1. UK Assets: increase-/decrease+.

OFFICIAL LONG-TERM CAPITAL[1]

TABLE 11

Not seasonally adjusted

£ million

		Inter government loans				Other official long-term capital		
		Made by UK	Repaid to UK	Repaid by UK	Total	UK subscriptions to IDA, etc	Other	Total official long-term capital
1977		-44	+48	-68	-64	-212	-26	-303
1978		-71	+46	-65	-90	-225	-21	-336
1979		-81	+70	-116	-128	-259	-14	-401
1980		-61	+112	-57	-6	-53	-32	-91
1981		-76	+86	-73	-64	-222	-51	-336
1982		-49	+79	-87	-57	-244	-36	-337
1983		-76	+68	-97	-105	-427	-29	-562
1981	1	-34	+23	-	-11	-97	-21	-128
	2	-15	+20	-6	-2	-98	-10	-111
	3	-16	+18	-	+2	-	-7	-5
	4	-11	+25	-67	-53	-27	-13	-92
1982	1	-20	+19	-	-2	-196	-13	-211
	2	-12	+21	-8	+1	-9	-6	-14
	3	-8	+17	-	+10	-4	-8	-3
	4	-9	+22	-79	-66	-35	-9	-109
1983	1	-39	+19	-	-20	-196	-13	-229
	2	-8	+17	-7	+1	-211	-5	-216
	3	-25	+17	-	-8	-2	-8	-18
	4	-4	+15	-90	-78	-18	-3	-99

1 UK Assets: increase-/decrease+. UK Liabilities: increase+/decrease-

IMPORT AND EXPORT CREDIT[1]

(excluding credit between 'related' firms)

TABLE 12

Not seasonally adjusted

£ million

		Import credit					Export credit					
		Credit received by UK businesses										
		Identified long-term2	Other3	Total	Advance and progress payments3	Total	Identified long-term credit extended by UK banks	Suppliers' credit3,4	Other credit extended	Advance and progress payments3	Total	of which: UK banks' lending in sterling
1977		+76	+130	+206	+74	+280	-601	-315	+13	+268	-635	-578
1978		-70	+163	+93	+199	+292	-625	-490	+58	+135	-922	-360
1979		-173	+364	+191	-127	+64	-440	-805	+89	+300	-856	+110
1980		+5	-211	-206	-48	-254	-808	-204	-77	+187	-902	-32
1981		-23	+76	+53	+69	+122	-720	-751	+137	+365	-969	+411
1982		-25	-107	-132	-92	-224	-1 335	-80	+245	+5	-1 165	-297
1983		-73	..	-73	+10	-63	-1 067	..	-394	..	-1 461	-636
1981	1	+13	-21	-8	-53	-71	+29	-205	+71	+163	+58	+334
	2	-14	+20	+6	+52	+68	-303	-95	+114	+55	-229	+116
	3	-5	+124	+119	+97	+216	-244	-130	-52	+146	-280	-64
	4	-17	-47	-64	-27	-91	-202	-321	+4	+1	-518	+25
1982	1	-2	+26	+24	-65	-41	-237	+51	+12	+104	-70	-53
	2	+5	-26	-21	-43	-64	-292	-14	+7	-2	-301	-41
	3	-10	-65	-75	+60	-15	-308	-74	+24	-64	-422	-110
	4	-18	-42	-60	-44	-104	-498	-43	+202	-33	-372	-93
1983	1	-	..	-	-5	-5	-329	..	-70	..	-399	-198
	2	-16	..	-16	+59	+43	-348	..	-128	..	-476	-134
	3	-33	..	-33	-26	-59	-241	..	-60	..	-301	-152
	4	-24	..	-24	-18	-42	-149	..	-136	..	-285	-152

1. UK Assets: increase-/decrease+. UK Liabilities: increase+/decrease-.
2. Credit on ships, commercial aircraft and North Sea installations.
3. Collection of information on trade credit received and extended by non-bank private sector companies ceased at end-1982. Export credit of the public sector previously included within suppliers' credit and advance and progress payments, is included indistinguishably in 'other credit extended' from 1983.
4. Includes net credit extended by UK merchants on third country trade.

OTHER TRANSACTIONS[1]

TABLE 13

Not seasonally adjusted

£ million

	Other external borrowing or lending (net of repayments)						Other transactions			
	Borrowing from banks etc. overseas by									
	Public corporations 2	Local authorities 2	Total public sector 2	UK private sector3	Bank deposits and lending overseas3	Total	Official assets and liabilities (net)	Other commercial short-term transactions (net)	IMF expenditure and receipts in sterling	Total
1977	+746	+4	+750	+318	-254	+813	+56	-3	-	+53
1978	+11	+11	+22	+710	-626	+106	+112	-45	+14	+81
1979	-18	+11	-7	+954	-497	+449	+161	-214	-13	-66
1980	-184	+11	-173	+442	-783	-514	-156	-87	-	-243
1981	-22	+4	-18	+564	-868	-322	+212	-111	-	+101
1982	-102	-3	-105	+714	-619	-11	+437	-187	-	+250
1983	-84	-3	-87	+344	+974	+1 231	-554	-22	-	-576
1981 1	-2	+1	-1	+179	-18	+160	-85	-54	-	-139
2	-2	+2	-	-291	-408	-699	+315	+87	-	+402
3	+13	+1	+14	+149	-361	-198	+74	+33	-	+107
4	-31	-	-31	+527	-81	+415	-92	-177	-	-269
1982 1	-29	-	-29	-702	+871	+140	-284	-53	-	-337
2	-52	-1	-53	-2	+63	+7	+249	-116	-	+133
3	-2	-	-2	+259	-268	-11	+118	+18	-	+136
4	-19	-2	-21	+1 159	-1 285	-147	+354	-36	-	+318
1983 1	-33	-	-33	+464	+255	+686	-614	-60	-	-674
2	-17	-1	-18	-308	+546	+221	+178	-40	-	+138
3	-3	-	-3	-137	+127	-13	-5	+30	-	+25
4	-31	-2	-33	+325	+46	+337	-113	+48	-	-65

1. UK Assets: increase-/decrease+. UK Liabilities: increase+/decrease-
2. Excluding net foreign currency borrowing under the exchange cover scheme which is included under 'offical financing'.
3. From 1982 onwards includes transactions by 'other financial institutions' (see footnote 3 to Table 8).
   The estimate included for the latest quarter excludes a substantial part of private sector business with banks etc. overseas.

UK CONTINENTAL SHELF OIL AND GAS[1]

TABLE 14

Not seasonally adjusted

£ million

	Volume of sales		Value of sales		Identifiable balance of payments entries			
	Gas (billion cubic metres)	Oil (million tonnes)	Gas	Oil	Import of goods	Imports less exports of services	I.P.D. due abroad2	Overseas investment in UKCS etc3
1977	40.4	37.8	317	2 226	-531	-704	-550	+1 508
1978	38.5	53.1	432	2 805	-185	-543	-744	+791
1979	38.8	77.5	538	5 689	-171	-436	-1 368	+696
1980	36.4	79.3	648	8 851	-144	-475	-2 215	+841
1981	35.5	89.6	844	12 340	-377	-553	-2 355	+1 638
1982	35.5	101.9	957	14 431	-451	-676	-2 623	+1 040
1983	37.2	115.3	1 154	16 996	-409	-626	-2 973	+809
1981 1	12.3	22.0	258	2 821	-40	-89	-546	+452
2	7.1	21.8	163	3 042	-149	-134	-466	+341
3	4.3	22.3	123	3 134	-145	-139	-508	+611
4	11.8	23.5	300	3 343	-43	-191	-835	+234
1982 1	12.9	22.8	319	3 130	-38	-156	-603	+399
2	6.6	25.9	190	3 436	-92	-146	-503	-8
3	5.1	26.4	134	3 820	-184	-194	-606	+256
4	10.9	26.8	314	4 045	-137	-180	-911	+393
1983 1	13.2	28.0	365	4 242	-118	-151	-725	+265
2	7.9	27.0	243	3 818	-107	-152	-713	+181
3	4.6	29.1	157	4 300	-126	-168	-595	+423
4	11.5	31.2	389	4 636	-58	-155	-940	-60

1. No attempt has been made to measure the impact of the oil and gas programme on the balance of payments accounts. The problems involved are described briefly and the headings defined in Chapter 9 of the 'Pink Book'.
2. Profits of UK subsidiaries of overseas companies earned in respect of their UKCS operations(including profits retained in the United Kingdom); interest paid on borrowing for the UKCS operations (see notes in 'Pink Book').
3. Includes investment from retained profits and borrowing for UKCS operations, trade credit etc (see notes in 'Pink Book').

OFFICIAL FINANCING[1]

TABLE 15

£ million

	Net transactions with International Monetary Fund2				Foreign currency borrowing						
						by public bodies under exchange cover scheme4					
						Local authorities and public corporations					
	UK drawings	UK re-purchases	Other net drawings	Total	by HM Govern-ment3	Borrowing	Repayments	Other public bodies4 (net)	Total	Drawings on (+) additions to(-) official reserves	Total official financing
1977	+1 525	-412	-	+1 113	+871	+296	-53	-	+243	-9 588	-7 361
1978	-	-948	-68	-1 016	+191	+672	-1 050	-	-378	+2 329	+1 126
1979	-	-596	-	-596	-	+1 026	-1 295	+19	-250	-1 059	-1 905
1980	-	-140	-	-140	-629	+538	-894	+44	-312	-291	-1 372
1981	-	-145	-	-145	-1 234	+425	-800	+21	-353	+2 419	+687
1982	-	-163	-	-163	-	+303	-327	+50	+26	+1 421	+1 284
1983	-	-36	-	-36	-	+596	-367	+20	+249	+603	+816
1981 1	-	-33	-	-33	-	+183	-171	+21	+33	-319	-319
2	-	-35	-	-35	-942	+79	-385	-	-306	+1 448	+165
3	-	-38	-	-38	-292	+25	-153	-	-128	+1 167	+709
4	-	-39	-	-39	-	+139	-91	-	+48	+123	+132
1982 1	-	-38	-	-38	-	+117	-59	-	+58	+11	+31
2	-	-60	-	-60	-	+110	-88	-	+22	+699	+661
3	-	-32	-	-32	-	+66	-43	+50	+73	-288	-247
4	-	-33	-	-33	-	+10	-137	-	-127	+999	+839
1983 1	-	-36	-	-36	-	+127	-127	-	-	+652	+616
2	-	-	-	-	-	+61	-48	-	+13	-145	-132
3	-	-	-	-	-	+159	-121	-	+38	-33	+5
4	-	-	-	-	-	+249	-71	+20	+198	+129	+327

1. Valued in sterling at market related rates of exchange.
2. Excludes transactions which affect the UK reserve position in the IMF (included within official reserves).
   Includes UK drawings on the oil facility; also drawings (-) and repurchases (+) in sterling by other countries.
3. Drawings on (+) and repayments of (-) two euro-dollar facilities of $2,500 million and $1,500 million for HM Government together with a $350 million bond issue in New York.
4. Comprises loans from the European Investment Bank to the Northern Ireland Central Government and to British Nuclear Fuels Ltd.

EXTERNAL LIABILITIES AND CLAIMS OF UK MONETARY SECTOR(1) IN FOREIGN CURRENCIES

TABLE 16

£ billion

End of period

	Total	Country analysis: EC countries	Other Western Europe	North America	Other developed countries	Eastern Europe	Oil exporting countries	Offshore banking centres	Other developing countries	Unallocated	Analysis by type of customer: Central monetary institutions	Other banks	Other
UK liabilities													
1978	104.6	23.6	20.3	15.0	2.4	1.2	15.0	14.0	10.7	2.5	20.5	64.4	19.6
1979	127.1	26.5	22.6	20.0	3.8	2.0	20.8	15.6	11.8	4.0	28.0	71.6	27.5
1980	145.3	29.7	24.6	20.8	7.3	1.7	25.0	20.4	11.0	4.9	24.9	87.8	32.7
1981	220.1	40.7	34.6	41.1	11.6	1.6	34.8	30.4	13.9	11.3	28.5	134.7	56.8
1982	278.9	47.0	41.0	72.6	11.0	2.6	34.9	39.1	15.7	15.0	28.1	174.8	76.0
1981 1	162.9	33.9	24.5	24.5	9.7	1.1	28.6	23.0	11.6	5.9	26.5	98.5	38.0
2	189.3	37.2	29.7	30.9	10.0	1.1	32.7	26.8	13.2	7.7	28.7	113.4	47.2
3	214.5	40.2	32.7	39.4	12.8	1.4	36.9	30.0	13.7	7.3	29.9	128.5	56.1
4	220.1	40.7	34.6	41.1	11.6	1.5	34.8	30.4	13.9	11.3	28.5	134.7	56.8
1982 1	241.9	43.8	38.0	50.6	13.4	1.8	36.3	30.8	14.6	12.6	29.2	148.0	64.7
2	244.8	41.6	38.3	59.8	9.6	1.8	33.8	31.7	14.9	13.5	28.2	148.5	68.1
3	265.5	42.9	40.1	69.4	10.8	1.9	35.4	37.0	14.6	13.3	30.8	163.2	71.7
4	278.9	47.0	41.0	72.6	11.0	2.6	34.9	39.0	15.7	15.0	28.1	174.7	76.0
1983 1	313.4	51.5	48.5	84.3	13.5	3.2	36.4	45.7	17.2	13.0	30.0	199.0	84.4
2	301.2	48.7	46.4	82.3	10.7	3.0	34.1	46.8	17.8	11.3	27.8	189.8	83.5
3	317.1	51.9	49.5	85.6	13.9	2.7	35.4	48.4	18.4	11.4	30.6	201.1	85.4
4	330.5	57.0	51.6	87.8	14.8	3.1	34.6	47.6	19.9	14.1	30.6	209.1	90.9
UK claims													
1978	99.4	30.9	11.7	7.3	8.7	5.3	7.0	18.2	10.0	0.2	3.6	69.7	26.1
1979	121.4	34.3	14.0	13.0	10.6	5.9	8.1	22.2	12.9	0.4	1.7	90.1	29.5
1980	139.5	38.6	17.3	12.5	16.2	6.0	8.5	23.5	16.5	0.5	1.5	103.0	35.0
1981	213.7	59.3	23.3	23.8	23.8	7.4	11.8	35.3	25.6	3.4	2.1	151.8	59.8
1982	266.6	75.6	28.1	40.3	26.2	7.5	14.1	40.3	29.1	5.4	2.5	187.6	76.5
1981 1	157.2	45.5	17.3	15.5	18.4	6.2	8.4	26.7	18.9	0.5	1.9	116.2	39.1
2	184.3	51.6	20.4	18.8	19.9	7.0	10.2	33.0	22.8	0.5	1.7	135.9	46.7
3	209.5	57.6	22.8	22.7	24.2	7.6	11.7	36.6	25.6	0.5	2.7	149.1	57.8
4	213.6	59.3	23.3	23.8	23.8	7.4	11.8	35.3	25.6	3.3	2.1	151.8	59.8
1982 1	233.5	65.2	24.8	28.6	27.2	7.5	12.6	36.7	27.6	3.2	2.3	167.1	64.0
2	235.7	65.9	26.0	33.6	23.0	7.6	13.2	35.3	27.5	3.6	3.2	166.2	66.3
3	254.7	70.2	26.6	39.8	24.6	7.3	14.8	39.6	27.7	4.1	2.2	182.0	70.4
4	266.6	75.6	28.1	40.3	26.2	7.6	14.1	40.3	29.1	5.3	2.5	187.6	76.5
1983 1	299.2	88.2	30.2	44.9	31.4	7.7	15.5	42.9	32.4	5.9	4.5	208.7	86.0
2	286.9	82.1	28.9	43.2	29.5	7.1	14.8	43.8	31.5	6.0	4.8	199.1	83.0
3	300.8	83.6	28.9	47.3	34.0	7.1	15.9	46.4	31.5	6.2	6.1	208.6	86.1
4	314.2	86.6	29.9	50.9	33.6	7.4	18.2	48.7	32.8	6.2	6.3	219.4	88.5
Net liabilities													
1978	5.2	-7.4	8.5	7.6	-6.3	-4.1	7.9	-4.1	0.7	2.3	17.0	-5.3	-6.5
1979	5.8	-7.8	8.6	6.9	-6.8	-3.9	12.7	-6.6	-1.1	3.6	26.2	-18.5	-2.0
1980	5.8	-8.9	7.2	8.3	-8.9	-4.3	16.5	-3.1	-5.6	4.5	23.4	-15.2	-2.3
1981	6.4	-18.6	11.4	17.3	-12.2	-5.9	23.1	-4.9	-11.7	8.0	26.4	-17.1	-3.0
1982	12.3	-28.6	12.9	32.3	-15.2	-4.9	20.8	-1.2	-13.4	9.7	25.6	-12.8	-0.5
1981 1	5.7	-11.7	7.3	9.1	-8.6	-5.1	20.2	-3.6	-7.3	5.5	24.6	-17.8	-1.1
2	4.9	-14.4	9.3	12.1	-9.8	-5.9	22.5	-6.2	-9.6	7.1	27.0	-22.5	0.4
3	4.9	-17.3	9.9	16.6	-11.5	-6.2	25.2	-6.7	-11.9	6.7	27.3	-20.6	-1.7
4	6.4	-18.6	11.4	17.4	-12.2	-5.9	23.0	-4.9	-11.7	8.0	26.4	-17.0	-2.9
1982 1	8.4	-21.4	13.3	21.9	-13.7	-5.7	23.7	-5.9	-13.1	9.4	26.8	-19.1	0.7
2	9.1	-24.4	12.2	26.2	-13.5	-5.8	20.6	-3.6	-12.6	9.9	25.0	-17.7	1.8
3	10.9	-27.2	13.5	29.6	-13.8	-5.4	20.6	-2.6	-13.0	9.2	28.5	-18.9	1.2
4	12.3	-28.6	12.9	32.2	-15.2	-4.9	20.8	-1.2	-13.4	9.7	25.6	-12.8	-0.4
1983 1	14.2	-36.7	18.3	39.4	-17.9	-4.5	20.9	2.7	-15.1	7.2	25.6	-9.8	-1.6
2	14.3	-33.4	17.5	39.2	-18.7	-4.2	19.4	3.0	-13.8	5.2	23.1	-9.2	0.4
3	16.2	-31.7	20.6	38.3	-20.1	-4.4	19.4	2.0	-13.1	5.2	24.5	-7.6	-0.7
4	16.3	-29.6	21.7	37.0	-18.8	-4.2	16.4	-1.0	-13.0	7.9	24.2	-10.3	2.4

1. Including liabilities and claims of certain other financial institutions; also liabilities incurred by UK banks in respect of borrowing by public bodies under the exchange cover scheme and by HM Government and UK banks' claims in respect of export credit in foreign currencies. Because of these coverage differences and also valuation effects, these figures are not fully comparable with with corresponding transactions of UK banks shown in Table 8. Coverage changes at the end of 1979 and 1981 are described in the 'Financial Statistics Explanatory Handbook'; they are also described, and geographical regions defined, in the Pink Book.

EXTERNAL LIABILITIES AND CLAIMS IN STERLING: GEOGRAPHICAL ANALYSIS[1]

TABLE 17

£ million

End of period

	EC countries	Other developed countries	Eastern Europe	Off-shore banking centres	Oil exporting countries	Other developing countries	International organisations	Unallocated	Total	of which: Overseas banks[2]
Exchange reserves held by overseas monetary authorities										
1977	174		234		1 360	334	720	30	2 852	
1978	171		213		1 006	325	898	20	2 633	
1979	153		307		1 205	506	1 102	47	3 320	
1980	158		508		2 238	588	1 108	69	4 669	
1981	216		351		2 471	481	1 143	93	4 755	
1982	214		608		2 654	459	1 456	191	5 561	
1982 1	240		280		2 421	603	1 393	163	5 100	
2	187		345		2 335	477	1 402	142	4 888	
3	200		588		2 295	462	1 388	205	5 138	
4	214		608		2 654	459	1 456	191	5 561	
1983 1	245		631		2 838	699	1 714	76	6 203	
2	259		679		2 794	603	1 844	42	6 221	
3	311		858		2 774	706	1 901	29	6 579	
4	320		976		2 749	578	1 936	50	6 609	
Banking and money market liabilities to holders other than OMA's										
1977	1 310	1 252	59	411	747	1 180		6	4 965	1 877
1978	1 265	1 335	68	351	984	1 246		9	5 258	1 696
1979	1 781	2 076	93	708	1 588	1 583		9	7 838	2 740
1980	2 425	2 708	114	1 081	1 998	1 957		26	10 309	4 176
1981	3 453	3 369	116	1 506	2 281	2 269		467	13 461	6 036
1982	4 403	4 536	141	2 134	2 973	2 824		619	17 630	8 544
1982 1	3 621	3 723	88	1 705	2 492	2 542		418	14 589	6 405
2	4 003	4 006	113	1 904	2 824	2 754		485	16 089	7 364
3	4 120	4 550	102	2 054	2 896	2 844		565	17 131	7 824
4	4 403	4 536	141	2 134	2 973	2 824		619	17 630	8 544
1983 1	4 940	5 018	140	2 319	3 263	3 086		353	19 119	9 153
2	5 290	5 401	170	2 401	3 176	2 878		438	19 754	9 560
3	5 204	5 664	106	2 759	3 160	2 821		443	20 157	9 623
4	5 618	6 236	148	2 598	3 274	2 971		502	21 347	10 148
Claims of UK banks[3]										
1977	1 052	1 811	560	329	1 063	1 558	-	9	6 402	678
1978	1 281	1 958	689	422	1 216	1 692	-	14	7 272	740
1979	992	1 856	752	480	1 097	1 760	1	22	6 960	710
1980	2 454	2 443	840	824	1 111	1 748	33	27	9 480	2 828
1981	3 232	3 481	949	1 135	912	2 184	120	365	12 378	4 109
1982	3 866	4 776	1 002	1 389	1 125	2 619	270	909	15 955	4 448
1982 1	3 577	3 829	1 022	1 194	891	2 348	126	539	13 526	4 215
2	3 087	3 944	986	1 261	916	2 390	164	611	13 359	3 700
3	3 791	4 213	980	1 339	1 017	2 442	229	812	14 823	4 101
4	3 866	4 776	1 002	1 389	1 125	2 619	270	909	15 955	4 448
1983 1	4 520	5 365	1 013	1 528	1 319	2 931	277	364	17 317	4 694
2	4 291	5 216	1 038	1 588	1 483	2 891	279	314	17 100	4 544
3	4 131	5 224	1 010	1 799	1 497	2 866	288	456	17 271	4 207
4	4 511	5 606	1 038	1 797	1 562	2 846	311	527	18 198	4 468

1. Coverage changes at the end of 1981 are described, and geographical regions defined, in the Pink Book.
2. In the liabilities section this comprises deposits placed with banks in the UK by banks abroad on their own account; also deposits from banks' trustee accounts, which may orginate from non-banks: certificates of deposit are excluded. In the claims section this comprises only claims on banks' (other than OMA's) abroad in respect of loans, advances and balances, bills and acceptances are excluded.
3. Loans, advances and balances, and bills, many of which represent export credit including those which have been refinanced (see Table 12), and acceptances.

EXTERNAL STERLING LIABILITIES[1] ANALYSIS BY COMPONENT

TABLE 18

£ million

End of period

	Exchange reserves in sterling held by overseas monetary authorities (OMAs)							Banking and money market liabilities to holders other than OMAs		
	Banking and money market liabilities									
	External deposits with									
	British government stocks	Banks and other institutions	Local authorities	Treasury bills	Total	Non-interest bearing notes	Total exchange reserves	External deposits with banks and other institutions	Treasury bills	Total
1977	1 322	852	29	334	1 215	315	2 852	4 945	20	4 985
1978	1 103	601	44	431	1 076	454	2 633	5 253	5	5 258
1979	1 281	871	17	512	1 400	639	3 320	7 771	67	7 838
1980	2 348	1 272	22	436	1 730	591	4 669	10 292	17	10 309
1981	2 555	1 159	42	326	1 527	673	4 755	13 442	19	13 461
1982	2 923	1 480	25	424	1 929	709	5 561	17 577	53	17 630
1983	3 157	2 348	12	395	2 755	697	6 609	21 214	133	21 347
1982 1	2 388	1 503	30	363	1 896	816	5 100	14 559	30	14 589
2	2 470	1 303	32	331	1 666	752	4 888	16 059	30	16 089
3	2 242	1 544	28	582	2 154	742	5 138	17 079	52	17 131
4	2 923	1 480	25	424	1 929	709	5 561	17 577	53	17 630
1983 1	3 026	1 805	50	464	2 319	858	6 203	19 026	93	19 119
2	3 297	1 711	23	363	2 097	827	6 221	19 647	107	19 754
3	3 231	2 082	13	504	2 599	749	6 579	20 022	135	20 157
4	3 157	2 348	12	395	2 755	697	6 609	21 214	133	21 347

1 These figures are not fully comparable with the corresponding transactions shown in Table 8. Also there are coverage changes at end-1981. See further notes in the Pink Book.

OFFICIAL FINANCING LIABILITIES AND OFFICIAL RESERVES[1] [2]

TABLE 19

End of period

£ million					$ million					£ million
Official financing liabilities					Official reserves					
	Other foreign currency borrowing									
	IMF	By HM government	By public bodies under exch. cover scheme	Total official financing liabilities	Gold	IMF special drawing rights	Convertible currencies	Reserve position in the IMF	Total	Total
1977	2 100	2 085	5 219	9 404	938	604	19 015	-	20 557	10 715
1978	1 055	2 131	4 579	7 765	964	500	14 230	-	15 694	7 689
1979	471	1 955	4 129	6 555	3 259	1 245	18 034	-	22 538	10 129
1980	294	1 191	3 525	5 010	6 987	560	18 621	1 308	27 476	11 487
1981	200	183	3 998	4 381	7 334	1 043	13 457	1 513	23 347	12 217
1982	36	216	4 612	4 864	4 562	1 233	9 634	1 568	16 997	10 508
1983	-	241	5 397	5 638	5 914	695	9 040	2 168	17 817	12 271
1982 1	156	196	4 207	4 559	4 546	1 042	11 949	1 432	18 969	10 637
2	99	201	4 327	4 627	4 571	902	10 741	1 489	17 703	10 157
3	68	206	4 527	4 801	4 561	979	11 256	1 503	18 299	10 798
4	36	216	4 612	4 864	4 562	1 233	9 634	1 568	16 997	10 508
1983 1	-	236	5 026	5 262	5 914	1 106	8 560	1 757	17 337	11 702
2	-	228	4 866	5 094	5 914	1 104	8 962	1 731	17 711	11 541
3	-	234	5 040	5 274	5 914	1 201	9 077	1 710	17 902	11 975
4	-	241	5 397	5 638	5 914	695	9 040	2 168	17 817	12 271

1. Data are denominated or expressed in dollars and converted to sterling at end-period middle market rates. Therefore data cannot be reconciled with the figures of transactions in Table 15.
2. From end-March 1979 the rates at which the reserves are valued in dollars are revised annually. These revisions, and the basis of valuing earlier figures, are described in detail and the effects quantified in 'Financial Statistics Explantory Handbook'. Definitions of the rates used for valuation and of the various headings above are also given in the Pink Book notes.

Employment in the public and private sectors 1977 to 1983

E. A. DOGGETT, Central Statistical Office

The Labour Market

The total employed labour force decreased in the year to mid-1983, according to preliminary estimates, by 240 thousand compared with 363 thousand in the year to mid-1982.

Analysis by sector

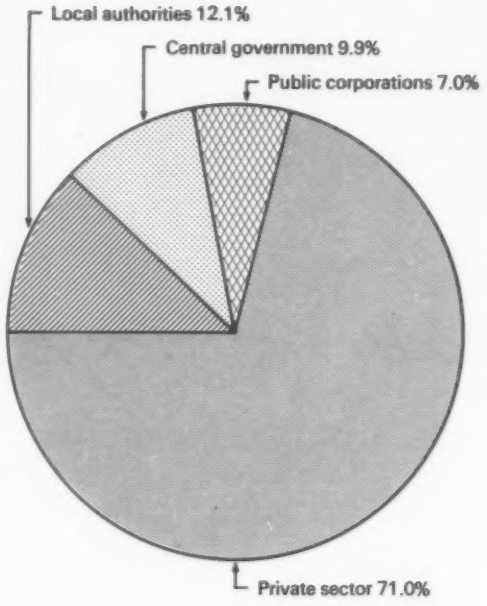
Of the estimated employed labour force of 23.7 million at mid-1983, an estimated 16.8 million (71.0 per cent) were in the private sector. Of the remaining 6.9 million, 1.7 million (7.0 per cent) were employed by public corporations, 2.4 million (9.9 per cent) by central government and 2.9 million (12.5 per cent) by local authorities (see Chart 1). Within general government (i.e. public services) education and the National Health Service were the largest employers, together accounting for a little over half of the 5.2 million employees.

In the public sector between mid-1982 and mid-1983, employment by public corporations fell by 93 thousand (5.3 per cent) (of which 14 thousand were transferred to the private sector) and general government employment fell by 4 thousand (0.1 per cent).

The small change in the size of general government resulted from a reduction in central government employment largely offset by an increase in local government. Between 1979 and 1982 local government employment fell but increased slightly from mid-1982 to mid-1983 (by 14 thousand or 0.5 per cent on a headcount basis; by 4 thousand or 0.2 per cent on a

CHART 1

Percentage shares in total UK employed labour force by sector, mid 1983



Employed labour force analysed by sector

TABLE A

United Kingdom

	Changes in numbers employed at mid-year				Numbers employed	Changes in numbers employed at mid-year		Numbers employed
	1977 to 1982		1981 to 1982		Mid-year 1982	1982 to 1983[1]		Mid-year 1983[1]
	Thousands	Percentage change	Thousands	Percentage change	Thousands	Thousands	Percentage change	Thousands
Total employed labour force	−899	*−3.6*	−363	*−1.5*	23 960	−240	*−1.0*	23 720
Private sector	−554	*−3.2*	−201	*−1.2*	16 968	−143	*−0.8*	16 825
Public sector	−345	*−4.7*	−162	*−2.3*	6 992	−97	*−1.4*	6 895
Public corporations	−333	*−15.9*	−111	*−5.9*	1 756	−93	*−5.3*	1 663
General government	−12	*−0.2*	−51	*−1.0*	5 236	−4	*−0.1*	5 232
Central government	+44	*+1.9*	−17	*−0.7*	2 371	−18	*−0.8*	2 353
HM Forces	−3	*−0.9*	−10	*−3.0*	324	−2	*−0.6*	322
National Health Service	+132	*+11.8*	+20	*+1.6*	1 246	—	—	1 246
Other	−85	*−9.6*	−27	*−3.3*	801	−16	*−2.0*	786
Local authorities	−56	*−1.9*	−34	*−1.2*	2 865	+14	*+0.5*	2 879
Education	−72	*−4.8*	−20	*−1.4*	1 434	—	—	1 434
Health and social services	+30	*+9.3*	+2	*+0.6*	352	+8	*+2.3*	360
Police	+14	*+8.1*	—	—	186	+1	*+0.5*	187
Other	−28	*−3.0*	−16	*−1.8*	893	+5	*+0.6*	898

[1] Preliminary estimates.

full time equivalent basis). Local authority employment in education remained unchanged and there were small increases in social services, police and other employment. The total number employed in central government fell by 18 thousand (0.8 per cent) due to a reduction in the civil service and armed forces; the health service remained at its previous level.

Tables A and C and Appendix 1 provide the analysis of employment, by sector.

Analysis of public sector by sex and industry

Table B gives an approximate breakdown of employment in the public sector in mid-1983. At mid-1983 women formed nearly three-fifths of those employed in general government, but just over two-fifths of full-time employees. This reflects the large number of women working part-time in education and health. Men outnumber women in the forces, 'other central government', 'other local authority' and police categories, while women outnumber men in the NHS, education and health and social services categories. Within public corporations women form less than one sixth of the workforce: it is a part of the public sector with few part-time jobs.

Chart 2 shows the approximate proportions of public sector employment in the main industry groups in mid-1983. About two-thirds of public sector employment is in the 'other services' category, about one-eighth in transport and communications, and about one-seventh in production industries (manufacturing, construction and energy and water supply).

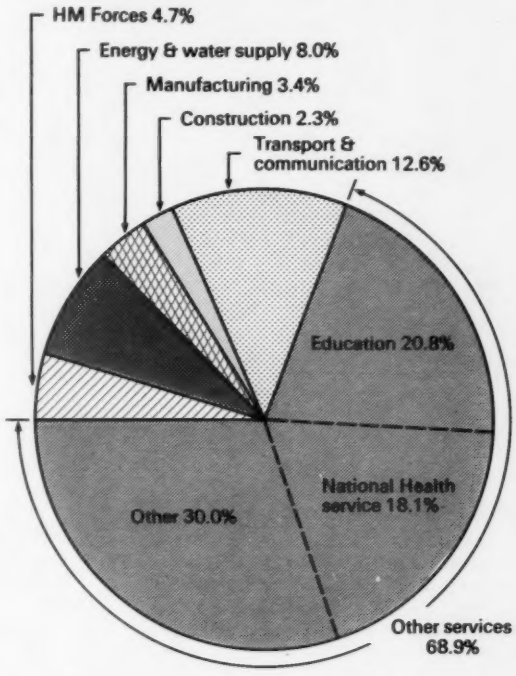
Analysis of total employed by sector and industry, Table C

Since the recent peak of the total employed labour force in 1979, the private sector employment has fallen by over one million or 6 per cent and the public sector by half a million or 7.5 per cent.

The article uses provisional estimates made by the Department of Employment of the numbers and the analysis by industry of employees in employment and of self-employed.

CHART 2

Analysis of public sector employment by industry group, mid 1983



Agriculture, forestry & fishing (0.1%) is excluded

United Kingdom public sector employment mid-1983

TABLE B

Millions

	Total	Male			Female		
		Total	Full-time	Part-time	Total	Full-time	Part-time
Total public sector	6.89	3.66	3.54	0.12	3.23	1.81	1.42
Public corporations	1.66	1.41	1.40	0.01	0.25	0.21	0.04
Nationalised industries	1.46	1.25	1.24	0.01	0.22	0.18	0.04
Other	0.20	0.16	0.16	—	0.04	0.03	—
General government	5.23	2.25	2.14	0.11	2.98	1.60	1.38
Central government	2.35	1.02	0.99	0.03	1.33	0.86	0.47
HM Forces	0.32	0.31	0.31	—	0.02	0.02	—
National Health Service	1.25	0.28	0.25	0.03	0.97	0.53	0.44
Other	0.79	0.43	0.43	—	0.35	0.32	0.03
Local authorities	2.88	1.23	1.15	0.08	1.65	0.74	0.91
Education	1.43	0.41	0.35	0.06	1.03	0.44	0.59
Health and Social Services	0.36	0.05	0.04	—	0.31	0.12	0.20
Police (including civilians)	0.19	0.14	0.14	—	0.04	0.03	0.01
Other	0.90	0.63	0.62	0.02	0.26	0.15	0.12

Note: Components may not add to totals because of rounding.

Share of total employed labour force: analysis by sector and industry

TABLE C

	United Kingdom					
	Mid-year: percentages					
	1978	1979	1980	1981	1982[1]	1983[1]
HM Forces	1.3	1.2	1.3	1.4	1.4	1.4
Total civilian employment	98.7	98.8	98.7	98.6	98.6	98.6
Private sector	70.7	70.8	70.9	70.6	70.8	70.9
Public sector	28.0	28.0	27.8	28.0	27.8	27.7
Civilian employment:						
Agriculture, forestry and fishing	2.7	2.6	2.6	2.6	..	..
Private sector	2.6	2.5	2.5	2.6	..	..
Public sector	—	—	—	—	—	—
Production industries	38.7	38.3	37.3	35.4	..	..
Private sector	33.6	33.3	32.4	31.0	..	..
Public sector	5.1	5.0	4.9	4.4	4.2	4.0
Transport and communications	6.2	6.2	6.3	6.3	..	..
Private sector	2.4	2.3	2.4	2.4	..	..
Public sector	3.9	3.8	3.9	3.9	3.8	3.7
Other services	51.1	51.7	52.6	54.3	..	..
Private sector	32.1	32.6	33.6	34.7	..	..
Public sector	19.0	19.1	19.0	19.7	19.8	20.0

Note: Components may not add to totals because of rounding. [1] Provisional.

Full time equivalent employment

The figures in the main tables in this article and its predecessors are on a head-count basis. That is to say no distinction is made between full and part time workers. This is the only basis on which comparable figures over the whole economy are available. Part time workers form an important segment of the government sector, particularly in the health and education services.

To measure the manpower resources more accurately many of the institutions in the public sector count their part time workers in terms of full time equivalents. Table 1 Appendix 1, puts these together (including Central Statistical Office estimates in some cases). Measuring full time equivalents is not a precise process. Each institution has its own convention for making the calculation. The most detailed calculation is made for the National Health Service, where a full time equivalent is recorded for each individual based on their contracted hours and the standard hours for the grade. This does not take account of overtime or short time worked in particular periods, and consequently nobody can have a full time equivalent of more than 1.0. Thus if an individual contracts to work 36 hours a week when the standard full week is 40 hours, his or her full time equivalent is 0.9. As a consequence, when the length of the standard working week is changed this changes the number of full time equivalents even if the number of part time hours worked is unchanged. The full time equivalent for local authorities is derived by applying factors to the part time workers in three groups based on average hours worked in each group nationally. The groups and factors are:

Non-manual employees	
further education	0.11
other	0.53
Manual workers	0.41

In other parts of the public sector part timers have been taken as half units.

Figures for the National Health Service relate to 30 September each year.

On the basis of both head-count and full time equivalent public sector manpower reached its peak in 1979. Since then it has fallen by 7.1 per cent on a head-count basis and 7.6 per cent in full time equivalents. Some of the reduction on either basis stems from privatisation of nationalised industries (British Aerospace, Cable and Wireless and the National Freight Corporation); if these are excluded, the reductions are 5.7 per cent head-count, 6.1 per cent full time equivalent. General government employment fell by 2.4 per cent (headcount) and 2.3 per cent (full time equivalent). Despite the overall similarity the two measures show differences at the subsector level. The full time equivalent employment in the National Health Service rose by 6.5 per cent over the period compared with 5.8 per cent in numbers, signifying partly an increase in the contracted hours of part time staff but partly reflecting the reduction in 1979 of the standard working week of nurses from 40 to 37½ hours. In contrast, other central government civilian staff fell by about 10 per cent, slightly more in full time equivalents. Local authority employment fell by a little under four per cent on both bases.

APPENDIX 1

UK public sector employment 1977–1983 by major categorie

TABLE 1

Mid-year	Thousands						
	General government						
	Central government				Local authorities		
	HM Forces	National health service	Other central government	Total central government	Education	Health and social services	Co str
Headcount							
1977	327	1 114	886	2 327	1 506	322	15
1978	318	1 136	879	2 333	1 512	334	15
1979	314	1 170	871	2 355	1 539	344	15
1980	323	1 192	847[3]	2 362[3]	1 501	346	15
1981	334	1 226	828	2 388	1 454	350	14
1982	324	1 246	801	2 371	1 434	352	13
1983[2]	322	1 246	785	2 353	1 434	360	13
Full time equivalent							
1977	327	947	866	2 140	1 099	222	15
1978	318	961	859	2 138	1 105	228	15
1979	314	975	856	2 145	1 110	235	15
1980	323	999	832	2 154	1 087	235	14
1981	334	1 036	818	2 188	1 058	240	13
1982	324	1 045	781	2 150	1 041	241	13
1983[2]	322	1 038	769	2 129	1 034	246	13

[1] Appendix 2 gives details of the definitions and coverage of the sectors and sources of the statistics and major changes in them between 1977 and 1983.
[2] Preliminary estimates based upon data covering nearly 95 per cent of the general government sector; these should not be regarded as accurate to the last digit shown.
[3] The establishment of HMSO from 1 April 1980 as a trading body implies the transfer of about 6 000 to public corporations.
[4] British Aerospace was reclassified to the private sector in February 1981 reducing public corporations' employment by about 73 000.
[5] Cable and Wireless was reclassified to the private sector in October 1981 and National Freight Corporation in February 1982, together reducing public corporations by about 28 000.
[6] Britoil was reclassified to the private sector in October 1982 and Associated British Ports in February 1983, reducing public corporations by about 14 000.

ories[1]

	Con-struction	Police (incl. civilians)	Other local authorities	Total local authorities	Total general govern-ment	Public corporations: Nation-alised industries (incl. Post Office)	Public corporations: Other public corpora-tions	Public corporations: Total public corpora-ations	Total public sector
	155	172	766	2 921	5 248	1 866	223	2 089	7 337
	155	170	761	2 932	5 265	1 844	217	2 061	7 326
	156	176	782	2 997	5 352	1 849	216	2 065	7 417
	152	181	776	2 956	5 318	1 816	222[3]	2 038[3]	7 356
	143	186	766	2 899	5 287	1 657[4]	210	1 867[4]	7 154
	132	186	761	2 865	5 236	1 554[5]	202[5]	1 756[5]	6 992
	130	187	768	2 879	5 232	1 465	198	1 663[6]	6 895
	152	168	683	2 324	4 464	1 835	224	2 059	6 523
	152	165	675	2 325	4 463	1 843	218	2 061	6 524
	150	172	701	2 368	4 513	1 818	217	2 035	6 548
	146	176	699	2 343	4 497	1 785	223	2 008	6 505
	136	180	692	2 306	4 494	1 656	206	1 862	6 356
	131	180	681	2 274	4 424	1 538	198	1 736	6 160
	130	182	686	2 278	4 407	1 444	197	1 641	6 048

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Employment by sector and by industry group[1], United King

TABLE 2

	Total employed	Total employees in employment	Private sector			
			Total		Self-employed persons[2]	
	Thousands	Thousands	Thousands	*Percent.*[3]	Thousands	*Pe*
At mid-year 1978						
Employed labour force	24 999		17 673	*70.7*	1 904	*7*
HM Forces	318					
Civilian employment	24 681	22 777	17 673	*71.6*	1 904	*7*
Agriculture, forestry and fishing	670	382	660	*98.5*	288	*43*
Energy and water supply	718	716	87	*12.1*	2	*0*
Manufacturing	7 433	7 290	6 967	*93.7*	143	*1*
Construction[4]	1 531	1 208	1 341	*87.6*	323	*21*
Transport and communication	1 555	1 463	588	*37.8*	92	*5*
Other services	12 773	11 717	8 029	*62.9*	1 056	*8*
At mid-year 1979						
Employed labour force	25 374		17 957	*70.8*	1 903	*7*
HM Forces	314					
Civilian employment	25 061	23 158	17 957	*71.7*	1 903	*7*
Agriculture, forestry and fishing	656	368	646	*98.5*	288	*43*
Energy and water supply	724	722	91	*12.6*	2	*0*
Manufacturing	7 399	7 258	6 943	*93.8*	141	*1*
Construction[4]	1 603	1 253	1 413	*88.1*	350	*21*
Transport and communication	1 570	1 473	594	*37.8*	97	*6*
Other services	13 109	12 084	8 271	*63.1*	1 025	*7*
At mid-year 1980						
Employed labour force	25 306		17 950	*70.9*	2 011	*7*
HM Forces	323					
Civilian employment	24 983	22 972	17 950	*71.8*	2 011	*8*
Agriculture, forestry and fishing	646	361	636	*98.5*	285	*44*
Energy and water supply	729	727	96	*13.2*	2	*0*
Manufacturing	7 084	6 939	6 668	*94.1*	145	*2*
Construction[4]	1 624	1 252	1 439	*88.6*	372	*22*
Transport and communication	1 586	1 483	608	*38.3*	103	*6*
Other services	13 314	12 210	8 503	*63.9*	1 104	*8*

Note: Components may not add to totals because of rounding.

[1] Industries are classified according to the Standard Industrial Classification, 1980.

[2] With or without employees.

[3] Percentage of total employed in the industry.

[4] The figures for construction are consistent with those published by the Department of Employment. They differ from estimates of construction employees in employment and self-employed persons in Great Britain published by the Department of the Environment (for example, in Table 10 of *Housing and Construction Statistics*) which include construction workers in building and civil engineering establishments run by public authorities whose major activities are classified to other industries (for example national or local government service) under the Standard Industrial Classification.

[5] The estimates of employees in employment and the self-employed are provisional for 1982 and 1983.

Kingdom

nployed[2]		Employees		Public corporations		Central government		Local authorities	
nds	*Percent.*[3]	Thousands	*Percent.*[3]	Thousands	*Percent.*[3]	Thousands	*Percent.*[3]	Thousands	*Percent.*[3]
	7.6	15 769	*63.1*	2 061	*8.2*	2 333	*9.4*	2 932	*11.7*
						318	*100*		
	7.7	15 769	*63.9*	2 061	*8.4*	2 015	*8.2*	2 932	*11.9*
	43.0	372	*55.5*	—	—	10	*1.5*	—	—
	0.3	85	*11.8*	623	*86.8*	2	*0.3*	6	*0.8*
	1.9	6 824	*91.8*	409	*5.5*	57	*0.8*	—	—
	21.1	1 018	*66.5*	20	*1.3*	15	*1.0*	155	*10.1*
	5.9	496	*31.9*	935	*60.1*	—	—	32	*2.1*
	8.3	6 973	*54.6*	74	*0.6*	1 931	*15.1*	2 739	*21.4*
	7.5	16 054	*63.3*	2 065	*8.1*	2 355	*9.3*	2 997	*11.8*
						314	*100*		
	7.6	16 054	*64.1*	2 065	*8.2*	2 041	*8.1*	2 997	*12.0*
	43.9	358	*54.6*	—	—	10	*1.5*	—	—
	0.3	89	*12.3*	625	*86.3*	2	*0.3*	6	*0.8*
	1.9	6 802	*91.9*	399	*5.4*	57	*0.8*	—	—
	21.8	1 063	*66.3*	20	*1.3*	14	*0.9*	156	*9.7*
	6.2	497	*31.6*	944	*60.1*	—	—	32	*2.1*
	7.8	7 246	*55.3*	77	*0.6*	1 958	*14.9*	2 803	*21.4*
	7.9	15 939	*63.0*	2 038	*8.1*	2 362	*9.3*	2 956	*11.7*
						323	*100*		
	8.0	15 939	*63.8*	2 038	*8.2*	2 039	*8.2*	2 956	*11.8*
	44.1	351	*54.4*	—	—	10	*1.5*	—	—
	0.3	94	*12.9*	625	*85.7*	2	*0.3*	6	*0.8*
	2.0	6 523	*92.1*	369	*5.2*	47	*0.7*	—	—
	22.9	1 067	*65.7*	20	*1.2*	13	*0.8*	152	*9.4*
	6.5	505	*31.8*	946	*59.7*	—	—	32	*2.0*
	8.3	7 399	*55.6*	78	*0.6*	1 967	*14.8*	2 766	*20.7*

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Employment by sector and by industry group[1], United Ki

TABLE 2 (*continued*)

	Total employed	Total employees in employment	Private sector		Self-empl persons[2]
			Total		
	Thousands	Thousands	Thousands	*Percent.*[3]	Thousand
At mid-year 1981					
Employed labour force	24 323		17 169	*70.6*	2 118
HM Forces	334				
Civilian employment	23 989	21 871	17 169	*71.6*	2 118
Agriculture, forestry and fishing	633	352	623	*98.4*	281
Energy and water supply	711	709	101	*14.2*	2
Manufacturing	6 369	6 221	6 080	*95.5*	148
Construction[4]	1 533	1 139	1 358	*88.6*	394
Transport and communication	1 532	1 423	579	*37.8*	109
Other services	13 212	12 028	8 429	*63.8*	1 184
At mid-year 1982[5]					
Employed labour force	23 960		16 969	*70.8*	2 218
HM Forces	324				
Civilian employment	23 636	21 419	16 969	*71.8*	2 218
Agriculture, forestry and fishing	..	354	..	..	..
Energy and water supply	..	684	..	..	..
Manufacturing	..	5 899	..	..	..
Construction[4]	..	1 053	..	..	..
Transport and communication	..	1 368	..	..	..
Other services	..	12 063	..	..	..
At mid-year 1983[5]					
Employed labour force	23 720		16 825	*71.0*	2 318
HM Forces	322				
Civilian employment	23 398	21 080	16 825	*71.9*	2 318
Agriculture, forestry and fishing	..	348	..	..	..
Energy and water supply	..	655	..	..	..
Manufacturing	..	5 608	..	..	..
Construction[4]	..	1 003	..	..	..
Transport and communication	..	1 323	..	..	..
Other services	..	12 146	..	..	..

For footnotes see previous page.

ed Kingdom

f-employed sons[2]		Employees		Public corporations		Central government		Local authorities	
ousands	*Percent.*[3]	Thousands	*Percent.*[3]	Thousands	*Percent.*[3]	Thousands	*Percent.*[3]	Thousands	*Percent.*[3]
18	*8.7*	15 051	*61.9*	1 867	*7.7*	2 388	*9.8*	2 899	*11.9*
						334	*100*		
18	*8.8*	15 051	*62.8*	1 867	*7.8*	2 054	*8.6*	2 899	*12.1*
81	*44.4*	342	*54.0*	—	—	10	*1.6*	—	—
2	*0.3*	99	*13.9*	602	*84.7*	2	*0.3*	6	*0.8*
48	*2.3*	5 932	*93.2*	242	*3.8*	47	*0.7*	—	—
94	*25.7*	964	*62.9*	20	*1.3*	12	*0.8*	143	*9.3*
09	*7.1*	470	*30.7*	922	*60.2*	—	—	31	*2.0*
84	*9.0*	7 245	*54.8*	81	*0.6*	1 983	*15.0*	2 719	*20.6*
18	*9.3*	14 751	*61.5*	1 756	*7.3*	2 371	*9.9*	2 865	*12.0*
						324	*100*		
18	*9.4*	14 751	*62.4*	1 756	*7.4*	2 047	*8.7*	2 865	*12.1*
..	..	345	..	—	—	9	..	—	—
..	..	100	..	578	..	2	..	4	..
..	..	5 635	..	221	..	43	..	—	—
..	..	891	..	18	..	12	..	132	..
..	..	463	..	864	..	—	—	41	..
..	..	7 319	..	75	..	1 981	..	2 688	..
18	*9.8*	14 507	*61.2*	1 663	*7.0*	2 353	*9.9*	2 879	*12.1*
						322	*100*		
18	*9.9*	14 507	*62.0*	1 663	*7.1*	2 031	*8.7*	2 879	*12.3*
..	..	340	..	—	—	8	..	—	—
..	..	101	..	548	..	2	..	4	..
..	..	5 372	..	195	..	41	..	—	—
..	..	845	..	17	..	11	..	130	..
..	..	455	..	827	..	—	—	41	..
..	..	7 397	..	76	..	1 969	..	2 704	..

APPENDIX 2

DEFINITIONS OF THE SECTORS

The United Kingdom national accounts divide the economy into institutional sectors so as to display the relationships between the different parts of the economy and the different forms of economic activity in a way which aggregate statistics cannot do. The sectors bring together those institutional units which are likely to play similar roles in economic activity and which may be expected to react in a broadly similar fashion to various market, fiscal and monetary forces.

The sectors used in this article are the same as in the national accounts. Full definitions of the sectors are given in *Sector Classification for the National Accounts*[1], and in the notes in *National Income and Expenditure 1983 Edition*, the Blue Book.[2] They are explained more briefly below.

General government

(i) Central government

The central government sector is defined in a wide sense. It can be regarded as embracing all bodies for whose activities a Minister of the Crown, or other responsible person, is accountable to Parliament. Besides the various departments of the government of the United Kingdom and the Northern Ireland government (including HM Forces) it also includes a number of publicly constituted bodies, which, while not government departments in the ordinary sense, are financially dependent upon and effectively controlled in major matters by the government. Examples of these bodies administering public policy but without the substantial degree of financial independence which characterises the public corporations include the Regional and Area Health Authorities of the National Health Service, the United Kingdom Atomic Energy Authority, National Research Councils, Royal Commissions and National Museums and Art Galleries. Also included are certain productive or trading enterprises financed directly from the accounts of the central government, such as the Forestry Commission. The sector coverage is much wider, therefore, than the non-trading civil service alone.

(ii) Local authorities

This sector consists of all local government authorities which have power to raise funds by means of rates or levies. It includes all levels of administrative authorities (including parish councils) and also local authorities with special functions. It includes magistrates' courts, the probation service in England and Wales and police forces and their civilian staffs. It embraces all functions of such authorities (including, for example, their education services except in Northern Ireland and construction departments) and includes trading activites of local authorities such as housing, municipal bus companies, ports and aerodromes.

Public corporations

Public corporations are public trading bodies which have a substantial degree of financial independence of the central government. They are publicly controlled to the extent that the Sovereign, Parliament or a Minister appoints, directly or indirectly, the whole or the majority of the board of management. They are free, however, to manage their affairs without detailed control by Parliament or, in the case of Passenger Transport Executives, by their parent local authority; in particular they have power to borrow, within limits laid down by Parliament, and to maintain their own reserves. Some public corporations are currently designated as 'nationalised industries' and are noted as such in the list below. Subsidiaries of public corporations are classified to the public corporations sector if their accounts are consolidated with those of the parent corporation. In the case of the National Enterprise Board subsidiary companies are classified to the companies sector which forms part of the private sector, as also are most companies which are wholly or partly owned directly by central government.

Central government trading funds like the Royal Mint are included in this sector and not under Central Government.

Public sector

The sum of general government and the public corporations.

Private sector

This covers employment in companies in the corporate sector other than public corporations and in the personal sector (including unincorporated businesses and private non-profit making bodies serving persons). Bodies serving industry, supported by the government but not wholly dependent on government funds nor subject to detailed financial control are treated as part of the company sector. Unincorporated businesses are those of sole traders and partnerships of individuals. All self-employed (whether or not they have any employees) are included in this sector including general practitioners. Private non-profit making bodies serving persons include universities.

CLASSIFICATION BY INDUSTRY

Industries are classified according to the *Standard Industrial Classification* (*Revised 1980*). The six industry groups in Appendix 1 Table 2 represent the maximum breakdown for which industry and sector information is available.

SOURCES OF THE STATISTICS

The figures for total employees in employment and for self-employed persons in each industry are aggregated from those compiled and published by the Department of Employment and the Department of Manpower Services, Northern Ireland. For employees in Great Britain the figures for 1982 and 1983 are taken from the provisional quarterly series and are subject to revision when the results of the next census of employment become available. For the self-employed (who may or

may not have employees) the reliable estimates are for 1981; an increase of 25 000 a quarter has been assumed subsequently.

Estimates of employment in central government and the public corporations are mostly derived from the central records of the organisations concerned. Efforts are made to ensure, as far as is possible, that the figures derived from different sources are consistent. For example, in order to be consistent with the data for total employees, the estimates seek to count jobs rather than persons so that those with two or more jobs are counted twice or more. Also, no adjustment is made for differences in hours worked or the extent of part-time working. However, the absence of a common source leaves scope for error, which will also affect the estimates for the private sector where the figures are derived by subtracting the estimates of employment in central government, local authorities and public corporations from the industry totals. This is one reason why too much emphasis should not be placed on relatively small changes in employment from one year to another.

Up to and including 1974 the figures for employment by local authorities in Great Britain were based on figures collected and compiled by the Department of Employment with the co-operation of local authorities in England, Wales and Scotland. Additions were made for Northern Ireland, and to include the staffs of magistrates' courts and the probation service, employees of parish councils and certain other local bodies, and the civilian employees of police forces, none of whom were included in the Department of Employment's survey of local authorities. (These groups are of course included, but not separately identified, in the Department of Employment's mid-year figures of the total of employees in employment.) From 1975, figures from the Joint Manpower Watch surveys undertaken on behalf of central and local government by the Local Authorities' Conditions of Service Advisory Board form the basis of the figures for local authorities in England and Wales.[3] This survey covers all the services for which local authorities in England and Wales are responsible, including most of the bodies for which separate estimates had previously to be made. From 1976, the figures for Scotland are taken from a similar survey undertaken on behalf of central and local government by the National Joint Council for Local Authority Services (Scottish Councils).[3]

Information is not available from every source concerning (*i*) disaggregation below United Kingdom level, or (*ii*) of the number of males, females, full-time and part-time workers; best estimates are used for missing data.

With the exception of Appendix 1 Table 1, all numbers are on a headcount basis and take no account of the hours worked.

MAJOR CHANGES IN THE SECTOR DEFINITIONS, COVERAGE, AND CONSISTENCY OF THE STATISTICS BETWEEN 1977 AND 1983

Central government

Her Majesty's Stationery Office has been reclassified as a public corporation from 1 April 1980.

There were several other additions and changes to the public corporations sector in this period which are shown in the following section.

PUBLIC CORPORATIONS

The public corporations in existence during the whole or part of the period covered by this article are listed below.

A. Corporations in existence at 30 June 1983

NAME OF CORPORATION	COMMENCING OR VESTING DATE
Bank of England	March 1946
*British Airports Authority	April 1966
*British Airways Board‡	April 1974
British Broadcasting Corporation	1927
*British Gas Corporation‡	January 1973
*British National Oil Corporation	January 1976
*British Railways Board‡	January 1963
*British Shipbuilders	July 1977
*British Steel Corporation	July 1967
British Technology Group	July 1981
National Enterprise Board	November 1975
National Research Development Corporation	June 1949
*British Telecom	October 1981
*British Waterways Board‡	January 1963
*Civil Aviation Authority	April 1972
Commonwealth Development Corporation	February 1948
Covent Garden Market Authority	October 1961
Crown Agents and Crown Agents Holding and Realisation Board	January 1980
Development Board for Rural Wales‡	April 1977
*Electricity Council (together with the Central Electricity Generating Board and Area Electricity Boards in England and Wales)	January 1958
Her Majesty's Stationery Office	April 1980
Highlands and Islands Development Board	November 1965
Housing Corporation	September 1964
Independent Broadcasting Authority (formerly Independent Television Authority)	July 1972 (August 1954)
Land Authority for Wales	April 1976
*National Bus Company‡	January 1969
*National Coal Board	January 1947
National Dock Labour Board	June 1947
National Film Finance Corporation	October 1948
National Girobank	October 1968
National Water Council	April 1974
New Town Development Corporations and Commission	1 December 1946 and various later dates
Northern Ireland Development Agency (formerly Finance Corporation)	May 1976 (May 1972)
Northern Ireland Electricity Service	January 1974
Northern Ireland Housing Executive‡	May 1971

NAME OF CORPORATION	COMMENCING OR VESTING DATE
Northern Ireland Transport Holding Company‡	April 1968
*North of Scotland Hydro-Electric Board	1943
Passenger Transport Executives and London Transport Executive‡	Various dates from October 1969
Pilotage Commission	November 1979
*Post Office	April 1961
Property Services Agency (supplies)†	April 1976
*Regional Water Authorities in England and Welsh Water Authority	April 1974
Royal Mint	April 1975
Royal Ordnance Factories	July 1974
Scottish Development Agency	December 1975
Scottish Special Housing Association	1937
*Scottish Transport Group‡	January 1969
*South of Scotland Electricity Board	April 1955
Trust Ports§	April 1974
Urban Development Corporations	March 1981
Welsh Development Agency	January 1976

* Nationalised industry.

‡ Corporations which succeeded corporations existing previously.

† Renamed 'The Crown Suppliers' from January 1984.

§ The functions of these bodies were previously included in the local authority sector.

B. Corporations succeeded by other corporations 1977–1983

British Telecom was formerly part of Post Office.
Mid-Wales Development Corporation: functions transferred to the Development Board for Rural Wales, March 1977.
National Enterprise Board (excluding subsidiary companies) and National Research Development Corporation now constitute the British Technology Group.

C. Corporations transferred to the private sector 1977–1983

*British Aerospace	February 1981
Cable and Wireless	October 1981
*National Freight Company	February 1982
Britoil	October 1982
Associated British Ports	February 1983

D. Corporations dissolved and not succeeded

National Ports Council was abolished and its functions transferred to the Department of Transport in December 1981.

References

[1] *Sector Classification for the National Accounts No. 2.* Available only from Branch 5, Central Statistical Office, Great George Street, London SW1P 3AQ. Price £3.00 (cash with order).

[2] *National Income and Expenditure:* 1983 *Edition* (HMSO 1983) (Price £13.95 net).

[3] See, for example, 'Manpower in the local authorities': *Department of Employment Gazette*, August 1979 (HMSO).

The Budget: 13 March 1984

The following are the proposed changes in taxation as set out in the *Financial Statement and Budget Report 1984–85* (HMSO March 1984):

Income tax

It is proposed—

to increase the single person's allowance and the wife's maximum earned income relief from £1785 to £2005 and the married allowance from £2795 to £3155.

to increase the additional personal allowance and widow's bereavement allowance from £1010 to £1150.

to increase the age allowance for the single person from £2360 to £2490, for the married from £3755 to £3955 and the age allowance income limit from £7600 to £8100.

to increase the basic rate limit to £15 400.

to increase the width of the 40 per cent band to £2800, of the 45 per cent band to £4900 and of the 50 per cent and 55 per cent bands to £7500.

As a consequence of these changes, the structure of personal tax rates in operation in 1984–85 will be:

Bands of Taxable Income

£	*Per cent*
0–15 400	30
15 401–18 200	40
18 201–23 100	45
23 101–30 600	50
30 601–38 100	55
over 38 100	60

It is also proposed—

to abolish the surcharge on an individual's investment income.

to abolish life assurance premium relief in relation to insurance contracts made after 13 March 1984.

to increase, with effect from 1985–86, the scales which determine the cash equivalent of car and car fuel benefits of directors and employees whose remuneration is £8500 or more a year.

to reduce the 25 per cent deduction from earnings and profits of employees and traders working and trading abroad to 12½ per cent for 1984–85, and to withdraw it altogether with effect from 1985–86.

to withdraw the 50 and 25 per cent deductions from foreign emoluments for all new cases after 13 March 1984, to withdraw the 25 per cent deduction from existing cases from 6 April 1984 and to phase out the 50 per cent deduction over the five years to 1988–89.

to introduce a composite rate scheme for bank interest paid after 5 April 1985 to United Kingdom resident individuals.

to raise from £50 to £100 the upper limit on monthly contributions by an employee under an approved savings-related share option scheme.

to extend from three to five years the facility to pay income tax by instalments on unapproved share options granted before 6 April 1984 and exercised after 5 April 1983.

to exclude farming from the trades which qualify for the 'Business Expansion Scheme' for shares issued after 13 March 1984.

to make gains from certain non-qualifying life assurance policies liable to income tax.

to amend the mortgage interest relief rules to ensure that the tax relief limit applies in certain cases where the borrower is changing his main residence.

to extend the relief for secondments to charities.

to make changes in the tax treatment of certain expenses incurred by hon. Members of the House of Commons.

Income tax and corporation tax

It is proposed—

to abolish stock relief in respect of periods of account commencing on or after 13 March 1984 with relief up to the end of March only for periods of account extending over 13 March 1984.

to reduce the rate of first year allowance for expenditure on machinery and plant to 75 per cent with effect from 14 March 1984, to 50 per cent with effect from 1 April 1985 and to nil with effect from 1 April 1986.

to reduce the rate of initial allowance for expenditure on industrial buildings and assured tenancies to 50 per cent with effect from 14 March 1984, to 25 per cent with effect from 1 April 1985 and to nil with effect from 1 April 1986.

to provide for the tax treatment of certain grants payable under Northern Ireland law.

to restrict the application of Schedule B where the land is used for certain purposes in connection with a trade.

to amend the limits relating to friendly society life assurance business.

Income tax, corporation tax and capital gains tax

It is proposed to extend reliefs to income and capital gains of certain housing associations in Northern Ireland.

Income tax and capital gains tax

It is proposed to bring within the charge to capital gains tax instead of income tax the benefits accruing

to directors and employees from certain share options granted after 5 April 1984.

Corporation tax

It is proposed—

to fix the main rate of corporation tax as follows:

	per cent
for the financial year 1983	50
for the financial year 1984	45
for the financial year 1985	40
for the financial year 1986	35

for the financial years 1983 to 1986 inclusive to fix the 'small companies' rate of corporation tax at 30 per cent.

to extend from two to six years the period for which 'surplus' advance corporation tax may be carried back and set against corporation tax.

to extend (subject to certain conditions) consortium relief to consortia with more than five members, and in which there are some non-resident members.

Corporation tax and capital gains tax

It is proposed—

to exempt capital gains on certain issues of corporate fixed interest stock held for more than twelve months.

to extend the present treatment of traded options in shares to other traded options.

Oil taxation

It is proposed—

to abolish repayment of advance corporation tax where a deduction for petroleum revenue tax reduces the amount of corporation tax available for set off.

to provide new rules for petroleum revenue tax appraisal and exploration reliefs, capital gains tax and capital allowances on transfers of licence interests ('farm-outs'): and to make other minor amendments.

to introduce powers to obtain information about transactions in United Kingdom oil for the purposes of market valuations for petroleum revenue tax.

Capital gains tax

It is proposed—

to increase the annual exempt amount in line with the increase in the retail prices index so that for 1984–85 an individual will be exempt on the first £5600, and most trusts on the first £2800, of capital gains.

to abolish the former rollover relief for transfers of property into heritage maintenance funds.

Development land tax

It is proposed—

to increase the annual exempt amount from £50 000 to £75 000.

to defer the charge on a deemed disposal arising on a development for the owner's use which is started at any time (instead of before 1 April 1984 as at present), and to extinguish any deferred liability which has not become chargeable within 12 years of the start of the development.

to exclude from charge deemed disposals made by the Housing Corporation and registered housing associations.

Capital transfer tax

It is proposed to introduce new rate schedules for both death and lifetime transfers as follows:

Band of chargeable value £'000	*Rate on death per cent*	*Lifetime rate per cent*
0– 64	Nil	Nil
64– 85	30	15
85–116	35	17½
116–148	40	20
148–185	45	22½
185–232	50	25
232–285	55	27½
over 285	60	30

It is also proposed to amend the provisions relating to settled property.

Stamp duties

It is proposed—

to reduce, effectively from 13 March 1984, to 1 per cent the duty on conveyances and transfers on sale.

to raise, also effectively from 13 March 1984, the level above which transfers of property (other than stocks and shares) are liable to stamp duty from £25 000 to £30 000, and to abolish the ½ per cent reduced rate band.

to amend the law, also effectively from 13 March 1984, relating to the sale of houses at a discount under the 'Right to Buy' scheme.

to amend the law, with effect from 20 March 1984, so as to end certain devices for avoiding stamp duty on sales of land and houses.

Value added tax

It is proposed that from 1 May 1984 the standard rate of VAT will apply to hot take-away food and drink. Group 1 of Schedule 5 to the Value Added Tax Act 1983 will be amended accordingly.

It is proposed that from 1 June 1984 the standard rate of VAT will apply to all alterations to both buildings and civil engineering works. It is further proposed, also from 1 June 1984, that the erection of such buildings as sheds and greenhouses in private gardens will become liable at the standard rate as will the supply of certain goods as fixtures in new buildings.

Group 8 of Schedule 5 to the Value Added Tax Act 1983 will be amended accordingly.

It is proposed to withdraw postponed accounting for VAT on imports and the similar arrangements for goods supplied in warehouses from 1 October 1984. Amending Regulations will be made under powers in the Value Added Tax Act 1983.

It is proposed to increase the registration and deregistration limits by Order made under Schedule 1, paragraph 12 of the Value Added Tax Act 1983. From 14 March 1984 the registration limits will become £18 700 per annum and £6200 per quarter. From 1 June 1984 the deregistration limits will become £17 700 per annum where estimated future turnover is concerned and £18 700 per annum where past turnover is concerned.

Alcoholic drinks

It is proposed, from midnight 13–14 March 1984, to increase:

—the rate of duty on spirits from £15.19 to £15.48 per litre of alcohol;

—the rate of duty on beer from £21.60 to £24.00 per hectolitre and the charge for each additional degree of original gravity above 1030° per hectolitre from £0.72 to £0.80;

—the rate of duty on cider and perry from £9.69 to £14.28 per hectolitre. It is also proposed to reduce the maximum strength limit for cider and perry from 'less than 8.7 per cent of alcohol by volume' to 'less than 8.5 per cent'.

It is proposed, from midnight 13–14 March 1984, to change the rates of duty on wine by the following amounts per hectolitre:

Still wine of an alcoholic strength:

less than 15 per cent: from £113.00 to £90.50;

not less than 15 per cent but not exceeding 18 per cent: from £145.90 to £157.50;

exceeding 18 per cent but not exceeding 22 per cent from £171.70 to £183.30;

exceeding 22 per cent: £183.30 plus £15.48 (instead of £15.19) for every 1 per cent, or part of 1 per cent, in excess of 22 per cent.

Sparkling wine of an alcoholic strength of less than 15 per cent from £113.00 plus a surcharge of £24.80 to a single rate of £149.40.

Sparkling wine of an alcoholic strength of 15 per cent and above will bear the same rates of duty as still wine.

It is proposed, from midnight 13–14 March 1984, to align the rates of duty on made-wine to the rates of duty on wine.

Hydrocarbon oil

It is proposed from 6 pm on 13 March 1984 to increase:

—the rate of duty on light hydrocarbon oil from £0.1630 to £0.1716 per litre;

—the rate of duty on heavy hydrocarbon oil for use as road fuel from £0.1382 to £0.1448 per litre.

The duty on petrol substitutes and spirits used for making power methylated spirits is charged at the same rate as on light hydrocarbon oil, and aviation gasoline and gas for use as road fuel are charged at half the rate on light hydrocarbon oil.

It is proposed, from 6 pm on 13 March 1984, to abolish the duty on rebated kerosene (including 'paraffin') other than aviation turbine fuel. The rate was £0.0022 a litre.

Tobacco

It is proposed, from midnight 15–16 March 1984, to increase:

—the specific element in the duty on cigarettes from £21.67 to £24.97 per 1000 cigarettes (the ad valorem element remaining unchanged);

—the duty on cigars from £40.85 to £47.05 per kilogram;

—the duty on hand-rolling tobacco from £35.40 to £40.60 per kilogram.

Gaming licence duty

It is proposed to adjust the rates of gaming licence duty in respect of licence periods beginning on or after 1 April 1984. The advance payment will remain at £250, but the second payment, to be made up to five months after the licence period, will be a proportion of the gross gaming yield (stakes less winnings) in each six-monthly period as follows:

2½ per cent of the first £375 000, plus

12½ per cent of the next £1 875 000, plus

25 per cent of the next £2 250 000, plus

33⅓ per cent of the remainder of the gross gaming yield.

Approximate direct effect of changes in Duty Rates on certain product prices

(All except VED inclusive of 15 per cent VAT)

Spirits duty	+10p on a bottle of whisky
Beer duty	+2p on a pint of beer of average strength
Wine duty	−18p on a bottle of table wine
Fortified wine duty	+10p on a bottle of sherry
Cider duty	+3p on a pint of cider
Petrol duty	+4½p on a gallon of petrol
Derv duty	+3½p on a gallon of derv
Tobacco duty	+10p on a packet of 20 cigarettes
Vehicle excise duty	+£5 on a car licence

Vehicle Excise Duty

It is proposed to increase the excise duty on mechanically-propelled vehicles, other than goods vehicles, chargeable under Section 1 of the Vehicles (Excise) Act 1971 and under Section 1 of the Vehicles (Excise) Act (Northern Ireland) 1972 by about 6 per cent. This figure is broadly descriptive.

The duty on most cars and light commercial vehicles will rise by £5 to £90. The rates of duty on some 277 000 light goods vehicles at the lower end of the duty scales will be reduced by up to 13 per cent, but for some 150 000 heavier goods vehicles duty will be increased by 7 to 9 per cent. For a small number of goods vehicles there will be larger increases as a result of the change to broader tax bands.

National Insurance Surcharge

It is proposed to abolish from 1 October 1984 the surcharge paid in respect of employees by secondary Class 1 contributors under the provisions of the National Insurance Surcharge Act 1976. Expenditure programmes (excluding local authorities) will be reduced accordingly (see Table 5.1). For local authorities the surcharge will remain at 1 per cent until 5 April 1985, and will be abolished thereafter.

Direct effects[1] of changes in taxation

	£ million Forecast for 1984-85	Forecast for a full year[1]
Inland Revenue		
Income tax		
Increase in single allowance of £220 and married allowance of £360	−1 615[2]	−1 990[2]
Increase in additional personal allowance and widow's bereavement allowance of £140	− 20[2]	− 20[2]
Increase in age allowance of £130 (single) and £200 (married) and income limit of £500	− 80[2]	− 100[2]
Increase in basic rate limit of £800 to £15 400	− 45[2]	− 75[2]
Increase in further higher rate thresholds	− 35[2]	− 65[2]
Abolition of investment income surcharge	− 25[2]	− 360[2]
Abolition of life assurance premium relief for new policies	+ 90	+ 180[3]
Fringe benefits - car and car fuel scales	Nil	+ 35[4]
Withdrawal of relief from foreign earnings	+ 15	+ 60[5]
Withdrawal of relief from foreign emoluments	+ 7	+ 15[6]
Composite rate scheme for bank interest	Nil	[7]
Increase in limit on contributions to savings-related share option schemes	Nil	[8]
Extension of instalment period for unapproved share options granted before 6 April 1984	Negligible	− 5
Exclusion of farming from the 'Business Expansion Scheme'	Negligible	Negligible
Minor life assurance changes	Negligible	Negligible
Application of mortgage interest relief limit - bridging loans	Negligible	Negligible
Employee secondments to charities	Negligible	Negligible
Expenses of Members of Parliament	Negligible	Negligible
*Extension of mortgage interest relief to certain borrowers	− 6[9]	− 5
*Limit for assessment of apportioned income	Negligible	Negligible
*Capital and income bonds	Nil	Nil
*Offshore life assurance	Nil	Nil
*Relaxation of interest relief for employee buy-outs	− 1[9]	− 2
*Fringe benefits - scholarships	Negligible	Negligible
Income tax and corporation tax		
Abolition of stock relief	Nil	+ 900[10]
Reduction in rate of first year allowance for machinery and plant	Nil[11]	+ 375[10,11]
Reduction in rate of initial allowance for industrial buildings and assured tenancies	Nil[11]	+ 15[10,11]
Further reductions in rates of first year and initial allowances	Nil	[12]
Northern Ireland corporation tax relief grant and other grants	Negligible	− 2
Application of Schedule B	Negligible	− 2
Limits relating to friendly society life assurance	Negligible	Negligible
*Extension of stock relief for housebuilders for 1983-84	Negligible	− 1
*Payment of Eurobond interest without deduction of tax	Negligible	− 2
*Offshore and overseas funds	Negligible	+ 60[13]
*Allowances for cars leased to recipients of mobility supplements	Negligible	Negligible
Income tax, corporation tax and capital gains tax		
Relief for housing associations in Northern Ireland	Negligible	Negligible
*Reliefs for furnished holiday lettings	− 2	− 5
*Deep discount securities	Negligible	− 15[14]
Income tax and capital gains tax		
Changes in employee share option reliefs	Nil	[15]
Corporation tax		
Reduction in main rate for financial year 1983	− 190	− 330[16]
Reduction in main rate for financial year 1984	Nil	−1 060[16]
Reduction in main rate for financial years 1985 and 1986	Nil	[12]
Reduction in 'small companies' rate	− 90	− 160
Extension of carry back period for advance corporation tax	− 1	− 30[17]
Extension of consortium relief	Negligible	− 10[18]
*Treatment of TSB's as bodies corporate	Nil	− 5
*Relief for discounts etc on bills of exchange	Negligible[9]	− 1
*Incidental costs of obtaining loan finance	Negligible	Negligible
*Change in arrangements for setting off advance corporation tax and double taxation relief	Negligible	− 5
*Provision against avoidance through group etc relief	Negligible	+ 10[18]
*Charge to tax in respect of controlled foreign companies	Nil	+ 25[19]

Direct effects[1] of changes in taxation

	£ million Forecast for 1984–85	Forecast for a full year[1]
Inland Revenue *continued*		
Corporation tax and capital gains tax		
Exemption of certain corporate fixed interest stock	Negligible	Negligible
Oil taxation		
Abolition of ACT repayments	+ 100	+ 150[20]
New rules for farm-outs and minor changes	Nil	+ 35[21]
Capital gains tax		
Indexation of annual exempt amount	Nil[2]	− 15[2,22]
Abolition of roll-over relief for maintenance funds	Negligible	Negligible
*Increase in limit for retirement relief	− 4	− 10
*Increase in other monetary limits	Negligible	− 1
*Relief for transactions through overseas bank accounts	Negligible	Negligible
*Deferment of payment of tax assessed on beneficiaries of non-resident trusts	− 3	Negligible[23]
*Other changes	Negligible	Negligible
Development land tax		
Increase in annual exempt amount	− 1	− 9[24]
Deferment of the charge on deemed disposals	− 1	− 4
Relief for housing associations etc	Negligible	Negligible
*Extension of instalment period	Negligible	Negligible
*Disposals by non-residents	+ 2	+ 2
Capital transfer tax		
Increase in thresholds and changes in bands	− 19[2]	− 49[2]
Other changes	Negligible	Negligible
Stamp duties		
Reduction in rates and increase in threshold	− 450[25]	− 460[25]
Sales of houses at a discount	Negligible	Negligible
Total Inland Revenue	−2 375[26]	−2 925[26]
Customs and Excise		
Value added tax		
Increase in registration limits	Negligible	Negligible
Withdrawal of certain zero-rates	+ 375	+ 650[27]
Withdrawal of postponed accounting for imports	+1 200	Nil[28]
Excise duties		
Increases in rates of duty on light oil, etc.	+ 225	+ 225
Increase in rate of duty on heavy oil for use in road vehicles	+ 45	+ 45
Removal of duty on kerosene	− 5	− 5
Increases in rates of tobacco products duties	+ 330	+ 340
Increase in rate of spirits duty	+ 10	+ 10
Increases in rates of beer duties	+ 175	+ 180
Changes in rates of wine and made-wine duties	− 60	− 60
Increase in rate of duty on cider and perry	+ 15	+ 15
Changes in gaming licence and *gaming machine licence duties	− 5	+ 5
Total Customs and Excise	+2 305	+1 405
Vehicle excise duty		
Changes in rates of duty	+ 110	+ 110
National insurance surcharge		
Abolition	− 335[29]	− 865[29]
Other		
Bus fuel grants	− 5[30]	− 5[30]
Total changes in taxation	− 300[26]	−2 280[26]

* Items so marked were announced before Budget Day.

[1] The direct effects of tax changes are generally estimated by applying the new and old tax rates and allowances to the taxable income and expenditure expected in the economic forecast in certain cases including estimates of the immediate effects of the changes on taxpayers' behaviour. For example, the estimates for Customs and Excise duties allow for the effects of relative price changes on the composition of consumers' expenditure; those for taxes on profits now allow for changes in investment behaviour following from the changes in capital allowances and stock relief; and those for stamp duties now allow for changes in the volume of transactions following from changes in rates. For the meaning of a full year see the note on page 9 of the Financial Statement and Budget Report 1981–82. A fuller description of the estimation of the direct effects of expenditure tax changes is provided in an article in Economic Trends, March 1980.

[2] *Taxes subject to statutory indexation.* The table below shows the direct revenue effects of indexing the income tax main allowances and thresholds, the capital gains tax exempt amount and the capital transfer tax threshold and bands by reference to the increase in the general index of retail prices between December 1982 and December 1983 (5.3 per cent), rounded in accordance with the statutory provisions, together with the costs of the proposed changes on top of indexation:

Direct Revenue Effects (£ million)

	Indexation		Proposed changes on top of indexation	
	1984–85	Full Year	1984–85	Full Year
Income tax				
Main allowances	−800	−980	−915	−1 130
Basic rate limit	−45	−75	0	0
Further higher rate thresholds	−35	−65	0	0
Investment income surcharge	Negligible	−20	−25	−340
Total income tax	−880	−1 140	−940	−1 470
Capital gains tax				
Exempt amount	Nil	−15	Nil	Nil
Capital transfer tax				
Thresholds and bands	−16	−40	−3	−9

[3] The full year yield is the amount of relief which would have been due on a full year's premiums for policies commencing in 1984–85. The eventual effect will be substantial (the cost of premium relief in 1983–84 was £700 million).

[4] Effective from 1985–86; the yield in 1985–86 will be £30 million.

[5] Withdrawal of the relief will be fully effective from 1985–86; the yield in 1985–86 will be some £55 million.

[6] Withdrawal of the relief will be completed by 1989–90; the eventual yield will be some £100 million.

[7] The composite rate scheme is designed to collect tax, which, taking one year with another, is equivalent to the normal basic rate tax liability of all depositors concerned. Deduction at source will however ensure that the full amount of tax due is collected, including tax which for one reason or another is not collected under present arrangements. This should mean some additional Exchequer yield, although this cannot be quantified. On the other hand, in 1985–86 there is the possibility of transitional net cash flow loss to the Exchequer mainly because banks will be able to get earlier set off of tax deducted from interest they receive.

[8] Costs will not arise until 1989–90. The yield from taxation of gains arising in respect of rates of contribution in 1984–85 above the previous limit might approach £5 million.

[9] Includes some delayed costs for 1983–84.

[10] Represents the difference, at the pre-Budget rates of corporation tax, between the effect of the relief or allowance on tax liability in 1984–85 before the change (that is, at the levels of stocks and fixed capital formation expected before the change) and the effects on tax liability after the change (that is, at the levels of stocks and fixed capital formation expected as a result of the change).

[11] Effect after taking into account the abolition of stock relief.

[12] The changes in tax liabilities in later years resulting from the proposed further reductions in the main rate of corporation tax will be affected by the proposed further reductions in capital allowances. The precise net effects of the combined changes will depend on the levels of profits and investment at the time.

[13] Based on the estimated holdings by United Kingdom taxpayers in the funds in September 1983.

[14] Effect on tax liabilities for 1984–85; over a period of years there will be some deferment of tax liabilities. This estimate is highly uncertain.

[15] Highly uncertain, since revenue effects depend upon exercise of options and their value. The cost in respect of 1989–90 (the first year in which qualifying options granted in 1984–85 could be exercised) might be some £35 million.

[16] Represents the difference between tax at the pre-Budget rates for financial year 1982 (52 per cent and 38 per cent) and tax at the rates proposed on the chargeable profits now expected in 1984–85. The amounts covered by this footnote and footnote 10 above broadly represent, in total, the difference between the tax liabilities in respect of 1984–85 (in both cases including the second-round effects on the level of profits) expected before and after the changes in rates of corporation tax, stock relief and capital allowances.

[17] Tax liabilities for accounting periods ending in 1978–79 and later will be reduced. The cost in 1985–86 is tentatively estimated at £30 million, and there will be some continuing costs thereafter.

[18] These estimates are highly uncertain.

[19] The yield will be some £25 million in 1985–86, building up to £100 million in later years.

[20] This figure is very uncertain as it depends on companies' future distribution policy.

[21] This figure is very uncertain, as it will depend on the level of future farm-outs. Protection against a possible substantial loss of PRT through acceleration of reliefs for past expenditure was also announced on 13 September 1983.

[22] The cost in 1985–86 will be £5 million.

[23] Payment of some £35 million due in 1983–84 will now be deferred.

[24] The cost in 1985–86 will be £4 million.

[25] The estimated duty on additional transactions expected to follow from the reduction of the rate is taken into account. It is subject to a wide margin of error.

[26] Components will not necessarily sum to the totals because of rounding. In the full year, no figures are included for the changes covered by footnotes 7, 8, 12 and 15 above.

[27] The yield from withdrawing the zero rate from hot food and drink is £125 million in 1984–85 and £200 million in a full year; the yield from withdrawing the zero rate from building alterations is £250 million in 1984–85 and £450 million in a full year.

[28] There will be a continuing reduction of Government debt interest.

[29] Figures exclude public sector payments of £120 million in 1984–85 and £485 million in a full year. Public expenditure will be reduced accordingly.

[30] Bus fuel grants are included in the figures for excise duties in Part 1.

The Economy: Recent Developments and Prospects to mid-1985

The following note and tables are adapted from the *Financial Statement and Budget Report 1984–85* (HMSO, March 1984):

Summary

Activity in total has been rising since the first half of 1981. The 3 per cent growth rate estimated for 1983 was sufficient to bring about some recovery in employment but not so far a fall in unemployment. There was a further fall in inflation and rise in profitability in 1983, despite slightly faster growth in import prices.

This forecast of the UK economy to mid-1985 is based on the monetary and fiscal policies specified in the Medium Term Financial Strategy. The effective exchange rate is assumed not to change. These assumptions are consistent with a rise in money GDP of 8 per cent in 1984.

Inflation rates have again fallen more quickly than generally expected. Competitive pressures at home and abroad have continued to exert a strong downward influence on prices and costs. A slow downward trend in UK inflation is expected, with RPI growth forecast at 4½ per cent at the end of 1984 and 4 per cent by mid-1985.

The growth in GDP is forecast to continue at 3 per cent in 1984, with growth of exports and company spending, especially fixed investment, outpacing a further rise in consumer spending. The growth in domestic demand reflects mainly rises in real income for both persons and companies. Employment should continue to rise.

Output is now rising again in the main industrialised countries, led by the US. In many developing countries, rises in export volumes and commodity prices and earlier cutbacks in imports have helped to ease financing problems. For the world economy as a whole, a period of growth in activity combined with rising profits and no more than moderate inflation is in prospect.

With the UK economy and other major economies expected to expand together, and with no major changes forecast for commodity prices, the balance of payments should remain in surplus. A growing contribution is expected from trade in services and from income accruing from the build-up of overseas assets.

The world economy

The rapid recovery of the US economy has slowed a little but there is increasing evidence of an upturn in Japan and Europe. Inflation remains low, above all in the US, Germany and Japan. A fall in OPEC imports depressed world trade last year in spite of large rises in imports into North America. But by the second half of 1983 total world imports may have been 4 per cent higher than a year earlier.

Output growth in the US at the end of 1983, though less than in the previous half-year, was sufficient to keep unemployment falling. In Europe output was increasing by the end of last year, after two years of stagnation, but unemployment is still rising. The US recovery is expected to moderate while the European recovery should strengthen. Growth in the developed world as a whole may average 3–4 per cent in 1984 and the first half of 1985.

Inflation in the major six economies has fallen further and now averages about 4½ per cent (compared with 10 per cent in 1981). With no major changes in fiscal or monetary policies assumed, and with high levels of spare capacity in many countries, little change is forecast in inflation: further falls in Europe may be offset by a slight rise in the US.

Reductions in imports by non-oil developing countries seem largely to have ended by early last year. Improvements in export revenues helped by higher prices of many commodities should allow some recovery in imports. In OPEC countries, however, the falls in both price and volume of oil exports reduced income further and led to a large drop in imports in 1983. With export revenues likely to remain low, import growth is likely to be slow over the next year or so.

Table 1 shows how the strong rise in imports into the US in 1983 was offset by developments elsewhere. This table covers all goods: growth of UK markets in manufacturers is shown in Table 2.

World import volume growth (excluding UK)

TABLE 1

	Annual per cent changes				
	Share of UK exports in 1983	1973–1979 average	1981	1982	1983 (estimated)
United States	14	7	½	−4	9½
Other industrialised countries	65	3½	−1½	0	2
OPEC	10	14½	19	2	−14
Non-oil developing countries	11	6½	7	−6½	−1
Total imports	**100**	**4½**	**1½**	**−1**	**1½**

Commodity prices (other than oil) rose 10 per cent more than the general rate of inflation between the end of 1982 and the third quarter of 1983. More recently there have been signs of levelling out. Industrial materials may continue to increase in price relative to other goods but if there is a normal harvest this

year – following 1983's poor harvest – food price increases should be lower than the average inflation rate. The oil price may not change substantially in nominal terms, and could fall further in real terms.

The forecast for the world economy is summarised in Table 2.

World Economy

TABLE 2

	Per cent changes on a year earlier				
	Average 1975–82	1982	1983	1984	1985 First half
GNP*	3	−½	2	4	3½
Prices* (consumers' expenditure deflator)	7½	6½	5	4½	4½
World trade in manufactures (weighted by UK markets)	4	−3	1	5	4½

* Major 6 overseas countries (US, Japan, Germany, France, Italy, Canada).

The exchange rate and the balance of payments

For the purpose of this forecast it is assumed that the effective exchange rate will be near to its average last year. The prospect for inflation, which takes account of this assumption about the exchange rate, suggests that over the forecast period there will not be any substantial difference between inflation rates in the UK and in the average of our major competitors. On this basis cost and price measures of competitiveness may change little over the forecast period following the recovery that occurred in 1982 and 1983.

The UK's terms of trade have changed little since the end of 1980. The 17 per cent fall in the effective exchange rate over this period has been offset by UK importers cutting their margins from unusually high levels and, in 1981 and 1982, by low world commodity prices. The terms of trade are not expected to change much over the next year or so. By the last quarter of 1984 both import and export prices may be 4–5 per cent higher than a year earlier. This compares with increases of about 8 per cent in 1983.

Total export volumes were little changed in 1983, after growing 1½ per cent in 1982. Over the last two years, exports of fuels have grown rapidly, while exports of goods and services other than fuels have not changed greatly. Exports of manufactures changed little between 1981 and 1983, when world trade fell by an estimated 1½ per cent and relative costs regained some of their earlier deterioration.

For the non-oil economy as a whole, there have been large fluctuations, due in part to the commodity price boom of 1973–74 and fluctuations in the exchange rate, but no pronounced trend in import penetration measured in value terms. The rise in the volume share has been offset by gains from the terms of trade. For the non-oil economy as a whole, the rise in volume terms has been much less than for manufacturing, partly because of a shift in demand and output away from manufacturing, and partly because of unchanged or lower import propensities in some other sectors (including food and services).

Domestic demand for manufactures grew strongly in 1983 mainly reflecting a rise in consumer durables, a turnround in stocks and a recovery in fixed investment. The volume of imports of manufactures grew by 12 per cent, UK producers continuing to lose share in the domestic market. In some areas such as cars, where home demand was buoyant, export deliveries fell for a period in 1983. Imports of fuels fell further.

Prospects for export growth depend mainly on continued growth in world trade in manufactures, which may be of the order of 5 per cent in 1984. In addition, the recovery in price and cost competitiveness in 1982 and 1983 may contribute a little to the growth in exports. Recent indicators of an improved trend include recent trade figures – exports of goods in the three months to January were 5½ per cent higher by volume than in the preceding three months – and the CBI surveys indicating continuing optimism on export orders. Total exports of goods and services are expected to be about 5 per cent higher in 1984 than in 1983.

Domestic demand for manufactures is expected to grow strongly in 1984, though possibly less than in 1983. There may be some fall in the growth of imports of manufactures. Total imports of goods and services may grow slightly faster than in 1983, given the unusually low levels of imports of fuels and services in 1983.

Domestic demand expanded faster in the UK than in most other countries in 1983 and so, despite a further rise in oil production, UK imports rose faster than exports and the surplus on the current account of the balance of payments fell from £5½ billion in 1982 to an estimated £2 billion in 1983.

With the strengthening of the world recovery, the balance of trade in manufactures can be expected to decline less in 1984 than in 1983. Part of this decline should be offset by upward trends in net trade in other goods and services. In addition there should be higher earnings from interest, profits and dividends helped by the growth in UK assets abroad and by the strengthening of the world recovery. Overall, the current account is expected to remain in moderate surplus in 1984 and the first half of 1985.

The current account surpluses recorded in the period 1980–83 have contributed, along with asset and currency revaluations, to a sharp rise in the value of the UK's net holdings of foreign assets: from about £15 billion (7 per cent of GDP) at end 1979 to perhaps £48 billion (16 per cent of GDP) at end 1983 (though the latter figures in particular are subject to a wide margin of error).

Inflation

Inflation rates fell during 1983 to their lowest levels since the late 1960s. The 12-monthly increase in the Retail Prices Index dropped below 4 per cent in the Spring – partly reflecting factors such as good harvests and falls in the mortgage rate – and the average level of prices for the year as a whole was up only 4.6 per cent on 1982. In January 1984 the RPI was 5.1 per cent higher than a year earlier; the Tax and Price Index, which takes account of the direct tax reductions in the 1983 Budget, was 4.2 per cent up on a year earlier.

There were some upward pressures on inflation in 1983, notably from the fall in sterling in late 1982 and

early 1983 and the recovery in world commodity prices. Nevertheless, the rise in prices continued to be limited by competitive pressures both domestic and international. Substantial increases in labour productivity, reductions in the National Insurance Surcharge and a slight further slowdown in earnings growth enabled producers to widen profit margins while holding most domestic price increases at around the 5 per cent level. Table 3 shows changes in the main components of the RPI.

Retail prices index

TABLE 3

	Per cent changes on a year earlier			
	Weight	1982 Q4	1983 Q4	1984 Q4 Forecast
Food	20	4½	6	3
Nationalised industries*	10	15	1½	3½
Housing	14	4	6½	7
Other	56	6	5	4½
Total	100	6	5	4½

* Including London Transport, excluding water.

By the end of 1983 there were clear signs of the rise in commodity prices easing, and with the effective exchange rate not changing much, UK import prices increased only 1 per cent between the second and fourth quarters. Labour costs were still rising slowly by the end of 1983, reflecting continued growth in productivity especially in manufacturing.

High rates of productivity growth contributed to the combination in 1983 of a low rate of increase in unit labour costs and an increase in real earnings. Wage settlements in the year to August 1983 generally averaged 5 to 6 per cent, giving rise to an increase in earnings in the whole economy of about 7 to 8 per cent, the difference reflecting changes in hours worked, productivity deals, bonus payments, and other factors including measurement errors. With price rises well below the increase in average earnings and tax reductions in the 1983 Budget, there was a rise of about 3 per cent in the average level of real take home pay.

Since 1982 real after-tax earnings of the average employee have been rising, while the real unit cost of labour to the employer has been falling, as a result of productivity growth and cuts in the National Insurance Surcharge. These trends should continue over the forecast period. But they follow a period in which real wages rose at the expense of profits (particularly in 1979 and 1980) and so contributed to the sharp rises in unemployment.

Most of the effect on UK prices of the 1982–83 fall in sterling and the rise in commodity prices has already been felt. As a result external cost pressures in 1984 are likely to be less than in 1983.

Increases in labour productivity and the abolition of the National Insurance Surcharge during the year will offset part of the rise in earnings and may hold the rise in unit labour costs to 4 per cent or less. Some further increase in profit margins is likely as demand remains buoyant both at home and overseas, but competitive pressures will continue to restrain prices. Price inflation as measured by the GDP deflator may be under 5 per cent in 1984–85 as a whole. After allowing for the budget measures, the annual rate of increase in the RPI may stay a little above 5 per cent for the first half of 1984, before falling to 4½ per cent by the fourth quarter. A slowdown during 1984 is expected in the rate of increase in food and most private sector prices; while the nationalised industries' component should continue to rise more slowly than prices in general (see Table 3). The slow downward trend in inflation is forecast to continue in 1985.

Demand and activity

Latest estimates continue to point to a growth of about 3 per cent in activity between 1982 and 1983. The different GDP measures are currently telling rather different stories. The output measure is probably the most reliable indicator of quarter to quarter changes while a simple average of the three is used in the assessment of longer-term activity movements in this forecast. There is, however, evidence that initial estimates of all three measures of GDP (and hence the average measure) have tended to understate increases in activity.

The growth in GDP since the trough in 1981 has reflected a recovery in domestic demand. The rundown in stocks eased in the second half of 1981 and subsequently. The low point for fixed investment was in the second half of 1981: since then both public and private investment have risen at about 5 per cent a year in 1982 and 1983. Consumers' expenditure rose by 3¼ per cent in 1983, continuing the recovery which started in mid-1982. Helped by lower than expected inflation, public spending on goods and services rose by over 3 per cent in volume terms in 1983.

By the end of 1983 total real personal disposable income had regained its 1980 level, as real increases for those in work combined with a levelling out and then a rise in employment. Up to the first half of 1982, consumers reduced their rate of saving and maintained their level of current spending broadly flat. From mid-1982, with the first signs of real income recovering, and as falls in inflation and interest rates contributed to higher consumer confidence, consumer spending (particularly on durables) rose quite rapidly. Over the period as a whole the rise in expenditure was accompanied by a fall in the personal saving ratio from 14½ per cent in 1980 to about 9½ per cent in 1983.

A sharp increase in borrowing by the personal sector from banks, building societies and HP companies financed the reduction in the saving ratio. Lower inflation and the increased real value of capital assets have led to consumers saving less while maintaining the real value of their wealth.

Lending by banks to the personal sector, much of it on mortgage terms, has been growing by about 33 per cent per year and has become the major growth area in banks' portfolios. It could be some time before persons and financial institutions adjust fully to changes in the credit environment and persons' debt income ratios may continue to rise, though perhaps more slowly.

On the basis of further increases in real take home pay and in employment and taking into account the effect of the budget measures, real personal disposable income may rise by up to 3 per cent in 1984. While further increases are expected in non-durable consump-

tion, the very fast growth of durables expenditure is likely to moderate. The usual tendency of the saving ratio to rise when real incomes recover may be offset by the continuing effects of lower inflation. Personal sector investment in new housing is expected to continue to rise in 1984.

Company profits improved markedly last year reflecting increases in both profit margins and turnover. Trading profits of industrial and commercial companies (net of stock appreciation) were probably about a quarter higher in 1983 than in 1982. Tax payments lagged behind the rise in incomes, and interest payments fell slightly so that disposable incomes have risen strongly.

Provisional estimates suggest that retained profits, or savings, of industrial and commercial companies increased by nearly half last year. Company expenditure on stocks and investment remained relatively subdued in 1983 but is now expected to increase more strongly following this rise in company incomes.

Recent surveys suggest that the period of destocking in industry may now have ended, but that firms are not planning the sizeable increases in stocks often seen at this stage of the cycle. The forecast assumes little change in the stock-output ratio in manufacturing. In the distributive sector, some rebuilding of stocks seems likely given the sharp fall in stock-sales ratios following the recent strong recovery in retail demand.

The growth in business fixed investment during 1983 was concentrated in the distribution and service sectors of the economy, reflecting the growth in output. In the North Sea, there was a (probably temporary) fall of about a quarter. Recent surveys point to a marked recovery in manufacturing investment in 1984, already beginning to turn round by the end of 1983, and a continuation of the growth of investment in distribution and services. The volume of fixed investment by non-North Sea industrial and commercial companies is forecast to increase by about 10 per cent in 1984 and to increase further in 1985. This forecast takes account of the budget measures, especially the proposed corporate tax changes, the net effect of which is expected to be an increase in investment for a time.

This growth in expenditure, together with a further rise in dividends and slower growth of profits, is expected to lead to a fall in the company sector's financial surplus from the apparently high levels in 1983. Because of the large balancing item in the company sector accounts, it is unclear what this implies for borrowing by companies, but some increase in bank lending to companies seems likely. By the end of 1983 the company sector's gross liquidity ratio was high by most past standards – partly for cyclical reasons – and may remain so. For the economy in total, fixed investment is forecast to rise over 6 per cent in 1984, with a substantially faster rise by private industry, especially manufacturing. Outside industry, growth of investment may not be fully maintained into the first half of 1985.

In total, domestic demand is expected to rise further through the forecast period. The prospect of continuing world recovery points to a further rise in UK exports in 1984 and in the first half of 1985. The slowdown in export growth into 1985 reflects partly a flattening in exports of oil, partly a slight slowdown forecast for the growth of world trade.

Domestic demand, exports and supply

TABLE 4

	Per cent changes on a year earlier		
	1983	1984	1985 First half
Domestic demand	4½	3½	2½
Exports of goods and services	½	5	4
Imports of goods and services	5	7	5
Domestic production: Total GDP*	3	3	2½

* Average measure.

The share of manufacturing industry in total output has been falling since the early 1970s, and particularly strongly since 1979. For 1984 as a whole, with substantial growth in the demand for manufactures, output in the manufacturing sector could be rising at much the same rate as in the rest of the economy.

Output

TABLE 5

	1983		1984		1980 = 100 1985
	I	II	I	II	I
Gross domestic product*	103	104	105½	107½	108½
Manufacturing output	94	96	98	99	100

* Average measure.

The fall in total employment in the three years to the end of 1982 was concentrated in the manufacturing sector where there were well above average increases in productivity. Outside manufacturing the less reliable data do not suggest exceptional gains in productivity.

As recovery became more firmly established during 1983 there was a gradual strengthening of the labour market. In many service industries employment started to rise early in 1983, while in manufacturing the fall in employment slowed down. By September the total employed labour force is estimated to have been around 80 000 higher than in March 1983. Unemployment levelled out during the second half of the year while vacancies and overtime increased. The trend in unemployment was affected by the continued rise in the numbers covered by special employment and training measures. In January and February however there was a further rise in unemployment. The growth of the labour force appears to have resumed in 1983 and further increases are forecast, though the numbers are very uncertain.

There is evidence that the rapid productivity gains in manufacturing have been partly the result of improvements in manning practices and investment in more efficient plant. These factors are likely to continue to exert an influence over the next few years. However some of the gains were probably a one-off response to the severe cost pressures on manufacturers during 1980 and 1981, leading to the closure of some of the least efficient units. Given the progress already made on unit labour costs this pressure has now eased and the forecast assumes that, apart from normal cyclical effects, productivity growth will be slower than in the past three years. However both inside and outside

manufacturing underlying productivity gains are expected to be well above the very low rates recorded in the 1973–79 period. These judgments on productivity growth, taken together with the forecast of output, are consistent with continued growth in total employment.

Longer-term movements in productivity have been as follows:

Output per head

TABLE 6

	Average annual per cent changes					
	1964–73 (peak to peak)	1973–79 (peak to peak)	1979–81	1981	1982	1983 (Estimates)
Manufacturing	4	1	0	3	6	6½
Non-manufacturing (excluding general government and oil)	3½	0	−1½	½	2½	2

Forecast and outturn

The table below compares the main elements of the forecast published in the 1983 FSBR with outturn or latest estimate:

Forecast and outturn

TABLE 7

	Forecast	Outturn
RPI: per cent increase between the fourth quarters of 1982 and 1983	6	5
	Forecast	Latest estimate/ forecast
Total output: per cent change between 1982 and 1983	2	3
Current account of the balance of payments, £ billion	1½	2
PSBR, financial year 1983–84, £ billion	8	10

Retail prices rose 1 per cent less than expected: the exchange rate was higher than had been assumed, and labour costs, mainly on account of higher productivity growth, rose more slowly than forcast.

Measurement of the three other items for 1983, or 1983–84, is still subject to some uncertainty. GDP growth (now measured at 1980 prices) was about 1 per cent stronger than expected; about ½ per cent was caused by higher oil production (reflected in net trade), and in addition there was higher domestic consumption, private and public, partly because inflation turned out lower than expected. Estimates of the current account surplus in 1983 varied considerably during the year, and outturns (especially on invisibles) are still provisional. The slightly stronger than expected surplus in 1983 reflected higher oil production and a definitional change in the treatment of gold. The latest estimate for the PSBR in 1983–84, still subject to considerable uncertainty, is £2 billion more than the forecast published in March 1983, or £3 billion more after allowing for the expenditure reductions announced on July 7.

The prospects

Short-term Economic Prospects

TABLE 8

	Forecasts	Average errors from past forecasts*
A. Output and expenditure at constant 1980 prices		
Per cent changes between 1983 and 1984:		
Gross domestic product (at factor cost)	3	1
Consumers' expenditure	3	1
General Government consumption ..	—	1½
Fixed investment	6½	2½
Exports of goods and services	5	2½
Imports of goods and services	7	2½
Change in stockbuilding (as per cent of level of GDP)	½	¾
B. Balance of Payments on current account		
£ billion:		
1983	2	—
1984	2	2½
1985 first half (at an annual rate)	1	4
C. Public Sector Borrowing Requirement		
£ billion (in brackets per cent of GDP at market prices):		
Financial year 1983–84	10 (3¼)	1 (¼)
Financial year 1984–85	7¼ (2¼)	4½ (1½)
D. Retail Prices Index		
Per cent change:		
Fourth quarter 1983 to fourth quarter 1984	4½	2
Second quarter 1984 to second quarter 1985	4	4

* The errors relate to the average differences (on either side of the central figure) between forecast and outturn. The method of calculating these errors has been explained in earlier publications and government forecasts (see Economic Progress Report June 1981). The calculations for the constant price variables are derived from forecasts made during the period between June 1965 and October 1981. For the current balance and the retail prices index, forcasts made between June 1970 and October 1981 are used. For the PSBR, Budget forecasts since 1967 are used. The errors are after adjustment for the effects of major changes in fiscal policy where excluded from the forecasts.

Risks and uncertainties

No forecast is complete without an indication of error margins. Table 8 sets out the average errors from past forecasts, alongside the forecasts themselves. These average errors provide the best indication of possible errors in the current forecasts: while the size of errors will change over time as the economy fluctuates more or less, and as forecasting techniques change, in most cases the averages have not shifted very much since they were first published in 1976. For the RPI, average errors are derived from a period of high inflation, averaging 14 per cent and subject to large fluctuations, and overstate likely erros at current rates of inflation.

The forecasts of those items which represent the relatively small balance between large flows in either direction are particularly subject to error. For example, the flows on either side of the PSBR approach £200 billion; and for the current account of the balance of payments approach £100 billion. An article on Forecasting the Public Sector Borrowing Requirements was published in the September 1983 issue of the Treasury's Economic Progress Report.

Index of sources

Data given on page 5 may be more recent than that shown elsewhere in the publication.

United Kingdom balance of payments; National income and expenditure. **In addition to the series indexed below, further detailed statistics are included in the regular quarterly articles (see inside back cover).**

	Page	*Source*	*Further statistics*
Average earnings	5,40	Department of Employment	Monthly Digest of Statistics Employment Gazette
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Banking		Bank of England	Financial Statistics
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Building societies		Central Statistical Office Building Societies Association	Financial Statistics
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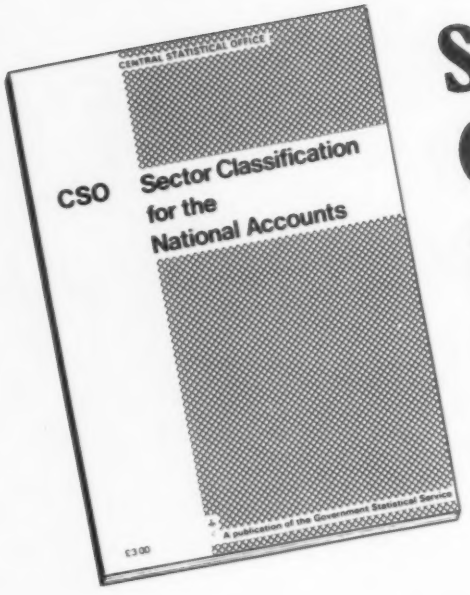

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